

Spreadsheet version available from www.hud.gov/lea/leaforms.html

Budget Summary

Total Budget (Federal Share and Matching)

Detailed Description of Budget					
3c. Transportation - Other	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Subtotal - Transportation - Other					
3d. Per Diem or Subsistence (indicate location)	Days	Rate per Day	Estimated Cost	Federal Share	Match
Subtotal - Per Diem or Subsistence					
Total Travel Cost					
4. Equipment (Only items over \$5,000 each)	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Total Equipment Cost					
5. Supplies and Materials (Items under \$5,000)					
5a. Consumable Supplies	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Subtotal - Consumable Supplies					
5b. Non-Consumable Materials	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Subtotal - Non-Consumable Materials					
Total Supplies and Materials Cost					

Budget Summary

Detailed Description of Budget					
6. Consultants (Type)	Days	Rate per Day	Estimated Cost	Federal Share	Match
Total Consultants Cost					
7. Contracts and Sub-Grantees (List individually)	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Total Subcontracts Cost					
8. Other Direct Costs	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Item					
Total Other Direct Costs					
9. Indirect	Rate	Base	Estimated Cost	Federal Share	Match
Type					
Total Indirect Costs					
Total Estimated Costs					

Total of Federal Share and Match

Spreadsheet version available from www.hud.gov/lea/leaforms.html

Analysis of Total Estimated Costs	Estimated Cost	Percent of Total	Percent of Labor
1 Personnel (Direct Labor)			
2 Fringe Benefits			
3 Travel			
4 Equipment			
5 Supplies and Materials			
6 Consultants			
7 Contracts and Sub-Grantees			
8 Other Direct Costs			
9 Indirect Costs			
Total			

Federal Share
Match

Expressed as a percentage of the Federal Share

Some cells in this spreadsheet are protected. There is no password for this spreadsheet.

Instructions for Completing the Budget Summary Spreadsheet

Lead Hazard Control Research NOFA

Item	Discussion
1 - Personnel (Direct Labor)	<p>This section should show the labor costs for all individuals for whom the grant will directly pay salaries. The hours and costs are <i>for the full life of the grant</i>. <i>If an individual is employed by a contractor or sub-grantee, their labor costs should not be shown here.</i></p> <p>Please include all labor costs which are associated with the proposed grant program, <i>including those costs which will be paid for with in-kind or matching funds.</i></p> <p><i>Do not show fringe or other indirect costs in this section.</i></p> <p>Please use the hourly labor cost for salaried employees (use 2080 hours per year or the value your organization uses to perform this calculation). An <i>employee working less than full time</i> on the grant should <i>show the numbers of hours they will work on the grant.</i></p>
2 - Fringe Benefits	<p>Use the standard fringe rates used by your organization. You may use a single fringe rate (a percentage of the total direct labor) or list each of the individual fringe charges. The spreadsheet is set up to use the Total Direct Labor Cost as the base for the fringe calculation. If your organization calculates fringe benefits differently, please use a different base and discuss how you calculate fringe as a comment.</p>
3 - Travel	
3a - Transportation - Local Private Vehicle	<p>If you plan on reimbursing staff for the use of privately owned vehicles or if you are required to reimburse your organization for mileage charges, show your mileage and cost estimates in this section.</p>
3b - Transportation - Airfare	<p>Show the estimated cost of airfare required to support the grant program effort. Show the destination and the purpose of the travel as well as the estimated cost of the tickets.</p> <p>Each lead program NOFA discusses the travel requirements which should be listed here.</p>

3c - Transportation - Other	<p>If you propose to rent/lease, or are charged monthly by your organization for a vehicle for use by the grant program, indicate those costs in this section.</p> <p>Provide estimates for other transportation costs which may be incurred (metro, etc.).</p>
3d - Per Diem or Subsistence	<p>For travel which will require the payment of subsistence or per diem in accordance with your organization's policies. Indicate the location of the travel.</p> <p>Each lead program NOFA discusses the travel requirements which should be listed here.</p>
4 - Equipment	<p>Equipment is defined by HUD regulations as tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.</p> <p>Each lead program NOFA describes what equipment may be purchased using grant funding.</p>
5 - Supplies and Materials	<p>Supplies and materials are consumable and non-consumable items which have a unit value of less than \$5,000. Please list the proposed supplies and materials as either Consumable Supplies or as Non-Consumable Materials.</p>
5a - Consumable Supplies	<p>List the consumable supplies you propose to purchase. General office or other common supplies may be estimated using an anticipated consumption rate.</p>
5b - Non-consumable materials	<p>List furniture, computers, printers, and other items which will not be consumed in use. Please list the quantity and unit cost.</p>
6 - Consultants	<p>Please indicate the consultants you will use. Indicate the type of consultant (skills), the number of days you expect to use them, and their daily rate.</p>
7 - Contracts and Sub-Grantees	<p>List the contractors and sub-grantees which will help accomplish the grant effort. Other contracts which should be shown here include inspections, risk assessments, and clearance inspections; contracts with Community Based Organizations; liability insurance; contracts with laboratories; and training and certification for contractors and workers.</p> <p><i>If any contractor, sub-contractor, or sub-grantee is to receive over 10% of the total Federal amount requested, a separate Budget Summary worksheet should be developed for that contractor or sub-grantee and the total amount of their effort should be shown as a single entry in this section.</i></p> <p>Unless your proposed program will conduct the primary grant effort (lead hazard control, research, or healthy homes) with in-house employees (reflected in section 1), the costs of the primary grant effort (e.g. <i>interventions</i>) should be shown in this section.</p>

	<p>Types of activities which should be shown in this section:</p> <ul style="list-style-type: none"> • Contracts for all services • Training for individuals not on staff • Contracts with Community Based Organizations or Other Governmental Organizations (<i>note the 10% requirement discussed above</i>) • Insurance if your program will procure it separately <p>Please provide a short description of the activity the contractor or subgrantee will perform, if not evident.</p>
8 - Other Direct Costs	<p>Other Direct Costs include a number of items that are not appropriate for other sections.</p> <p>Other Direct Costs may include:</p> <ul style="list-style-type: none"> • Staff training • Telecommunications • Printing and postage • Relocation, if costs are paid directly by your organization (if relocation costs are paid by a subgrantee, it should be reflected in Section 7)
9 - Indirect Costs	<p>OMB Circular A87 defines indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. Indirect costs include (a) the indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.</p> <p>The spreadsheet is set up to use the Total Direct Labor plus the Fringe Benefits costs as the base for the indirect cost calculation. If your organization calculates indirect costs differently, please use a different base and discuss how you calculate fringe as a comment.</p>

The three rightmost columns allow you to identify how the costs will be spread between the Federal Share and the Match. This information will help the reviewers better understand your program and priorities. The far right column is an "error checking" function to confirm that the estimated cost is equal to the sum of the Federal Share and the Match. If there is a discrepancy, the word "Error" will appear.

Note: The formats and many of the cells for the spreadsheet (which can be downloaded from the HUD Office of Lead Hazard Control website at www.hud.gov/lea/fedshare.xls) are protected. There is no password for the protection.

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

HEALTHY HOMES INITIATIVE

FUNDING AVAILABILITY FOR THE HEALTHY HOMES INITIATIVE PROGRAM OVERVIEW (HHI)

Purpose of the Program. The purpose of the Healthy Homes Initiative is to develop, demonstrate and promote cost effective, preventive measures to correct multiple safety and health hazards in the home environment which produce serious diseases and injuries in children. HUD is interested in reducing health threats to the maximum number of residents, including children, in a cost efficient manner.

Available Funds. Approximately \$6.5 million.

Eligible Applicants. Research institutions, not-for-profit institutions, and for-profit firms located in the U.S., State and local governments, and Federally-recognized Indian Tribes. For-profit firms are not allowed to include a fee in the cost proposal (*i.e.*, no profit can be made from the project). Federal agencies and federal employees are not eligible to apply for this program.

Application Deadline. May 17, 2000.
Match. None.

Additional Information

If you are interested in applying for funding under this initiative, please review carefully the **General Section** of this SuperNOFA and the following additional information.

I. Application Due Date, Application Kits, Further Information, and Technical Assistance

Application Due Date. Your completed application (an original and four copies) is due on or before 12:00 midnight, Eastern time, on May 17, 2000, at the address shown below.

See the **General Section** of the SuperNOFA for specific procedures concerning the form of application submission (*e.g.*, mailed applications, express mail, overnight deliver, or hand carried).

Address for Submitting Applications.
For Mailed Applications. The address for mailed applications is: Department of Housing and Urban Development, Office of Lead Hazard Control, 451 Seventh Street, SW, Room P3206, Washington, DC 20410.

For Overnight/Express Mail or Hand Carried Applications. The address for applications that are hand carried or sent via overnight/express mail delivery is: HUD Office of Lead Hazard Control, Suite 3206, 490 East L'Enfant Plaza, SW, Washington, DC 20024. Hand carried applications will be accepted at this address (490 East L'Enfant) up until 5:00 pm on the application due date.

After 5:00 pm on the application due date, hand carried applications will be

accepted until 12:00 midnight, in the South Lobby of HUD Headquarters, 451 Seventh Street, SW, Washington, DC 20410.

For Application Kits. You may obtain an application kit from the SuperNOFA Information Center at 1-800-HUD-8929, or the TTY number at 1-800-HUD-2209. When requesting an application kit, please refer to HHI. Please be sure to provide your name, address (including zip code), and telephone number (including area code). Alternatively, you may obtain an application kit by downloading it from the internet at <http://www.hud.gov>.

For Further Information and Technical Assistance. You may contact Ms. Ellen Taylor, Planning and Standards Division, Office of Lead Hazard Control, at the address above; telephone (202) 755-1785, extension 116, or Ms. Karen Williams, Grants Officer, extension 118 (these are not toll-free numbers). Hearing- and speech-impaired persons may access the above telephone numbers via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

Satellite Broadcast. HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov>.

II. Amount Allocated

Approximately \$6.5 million will be available in FY 2000. Grants will be awarded on a competitive basis following evaluation of all proposals according to the Rating Factors described in section V(B). HUD anticipates that approximately 4 to 8 grants will be awarded, ranging from approximately \$250,000 to approximately \$2,500,000.

III. Program Description; Eligible Applicants; Eligible Activities

(A) **Program Description.** (1) **Background.** In the FY 2000 Budget, HUD received a second year of funding to continue the Healthy Homes Initiative (sometimes referred to as the "Initiative" or "HHI") that protects children from housing conditions responsible for multiple diseases and injuries. The Initiative departs from the more traditional approach of attempting to correct one hazard at a time (*e.g.*, asbestos, radon). In April 1999, HUD submitted to Congress a preliminary plan containing a full description of the Initiative. This description (Summary and Full Report) is available on the HUD website at www.HUD.gov/lea.

The Healthy Homes Initiative builds upon HUD's existing housing-related health and safety issues, including lead hazard control, building structural safety, electrical safety, and fire protection to address multiple childhood diseases and injuries related to housing in a more coordinated fashion. A coordinated effort is feasible because a limited number of building deficiencies contribute to many hazards. Substantial savings are possible using this approach, because separate visits to a home by an inspector, public health nurse, or outreach worker can add significant cost to efforts to eliminate hazards.

In addition to deficiencies in basic housing facilities that may impact health, changes in the U.S. housing stock and more sophisticated epidemiological methods and biomedical research have led to the identification of new and often more subtle health hazards in the residential environment (*e.g.*, indoor air quality hazards). While such hazards will tend to be found disproportionately in housing that is substandard (*e.g.* structural problems, lack of adequate heat, etc.), such housing-related environmental hazards may also exist in housing that is otherwise of good quality. Appendix A to the HHI program section of the SuperNOFA briefly describes the housing-associated health and injury hazards HUD considers key targets for intervention. Appendix B to the HHI program section of the SuperNOFA lists the references that serve as the basis for the information provided in this Healthy Homes Initiative section of this SuperNOFA.

HUD is interested in promoting approaches that are cost-effective and efficient and that result in the reduction of health threats for the maximum number of residents for the long run, and in particular low-income children. The overall goals and objectives of the HHI are:

(1) Mobilize public and private resources, involving cooperation among all levels of government, the private sector, and community-based organizations to develop the most promising, cost-effective methods for identifying and controlling housing-based hazards.

(2) Build local capacity to operate sustainable programs that will continue to prevent and, where they occur, minimize and control housing-based hazards in low and very low income residences when HUD funding is exhausted.

(3) Affirmatively further fair housing and environmental justice.

(B) Healthy Homes Activities.

Through the Healthy Homes Initiative, HUD will establish a baseline assessment of available risk reduction techniques and research on the control of key hazards described in Appendix A, and initiate projects to promote implementation of techniques demonstrated to be successful. HUD has decided to initiate the HHI projects through this competition. There are three categories of grants being awarded. These are:

- Demonstration projects implementing housing assessment, maintenance, renovation and construction techniques to identify and correct housing-related illness and injury risk factors,
- Outreach projects disseminating healthy homes information and replicating successful interventions, and
- Research projects developing new methods of evaluation and control of housing-based hazards.

HUD will evaluate proposals based on the elements described below. Although you are expected to focus your efforts in one of the three categories, the activities of a proposed project may address categories other than the primary focus. Applicants are required to be specific as to the locations they are targeting their intervention activities to occur and the residents, individuals or groups targeted to receive interventions and the organizations targeted to continue to operate effective intervention strategies over the life of the award and hereafter.

(1) *Demonstration Projects.* Objectives to be addressed by these projects are:

(a) Identification of target areas and homes where intervention would be appropriate.

(b) Identification and evaluation of effective methods of hazard abatement and risk reduction.

(c) Development of appropriately-scaled, flexible, cost-effective and efficient intervention strategies that take into account the range of conditions likely to be encountered in older housing, and that maximize the number of housing units that receive an intervention.

(d) Development of methodologies for evaluating intervention effectiveness.

(e) Development of local capacity in target areas and target groups to operate sustainable programs to prevent and control housing-based hazards, especially in low and very-low income residences.

(f) Development of a cost-effective protocol for identifying homes that are candidates for interventions, identifying hazards in these homes, and screening out homes where structural or other

condition factors (e.g., cost) make interventions infeasible or impractical.

(2) *Outreach Projects.* These projects must address:

(a) Development and delivery of public outreach to prevent and eradicate both emerging and well-recognized housing-related childhood diseases and injuries, and promote the use of identified solutions.

(b) Increased identification and control of housing based hazards through education and outreach to specific high-risk communities and other identified audiences such as health care deliverers, pregnant women, children, residential construction contractors, maintenance personnel, housing inspectors, real estate professionals, home buyers and homeowners.

(c) Implementation of media strategies to use print, radio and television to increase public awareness of housing related hazards that threaten children.

(d) Dissemination of materials that inform parents and caregivers about housing related hazards and enable them to take prompt corrective action.

(3) *Research Projects.* Objectives to be addressed by these projects are:

(a) Investigation of the epidemiology of housing-related hazards and illness and injury.

(b) Development and assessment of low-cost test methods and protocols for identification and assessment of housing-related hazards.

(c) Development and assessment of cost-effective methods for reducing or eliminating housing-related hazards.

(d) Evaluation of the effectiveness of housing interventions and public outreach campaigns, and barriers and incentives affecting future use of the most cost-effective strategies.

(f) Investigation of the environmental health effects on children living in deteriorated housing and the impact on their development and productivity.

(C) *Eligible Activities.* The following direct activities and support activities are eligible under this grant program.

(1) *Direct Project Elements* (activities conducted by you and any sub-recipients):

(a) Performing evaluations of eligible housing to determine the presence of housing-based hazards (e.g., mold growth, allergens, unvented appliances, exposed steam pipes or radiators, damaged lead-based paint) through the use of generally accepted testing procedures.

(b) Conducting medical examinations of young children for conditions caused or exacerbated by exposure to hazards where this is considered essential to

your project, and there are no alternative sources to cover these costs.

(c) Conducting housing interventions to remediate existing housing-based hazards and address conditions that could result in their recurrence. Any lead hazard evaluation and control work shall be conducted by certified performers in accordance with the HUD *Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing* ("Guidelines") and applicable regulations. You may obtain the Guidelines and applicable regulations by downloading them from the internet at <http://www.hud.gov/lea>. All pest control activities should incorporate the principles and methods of integrated pest management (IPM).

(d) Carrying out temporary relocation of families and individuals during the period in which intervention is conducted and until the time the affected unit receives clearance for reoccupancy. Residents relocated must be guaranteed the choice of returning to the unit after the intervention.

(e) Performing medical testing recommended by a physician or applicable occupational or public health agency for individuals in hazardous conditions and environmental sampling to protect the health of the intervention workers, supervisors, and contractors.

(f) Undertaking housing rehabilitation activities that are specifically required to carry out effective control of housing-based hazards, and without which the intervention could not be completed and maintained. Grant funds under this program may also be used to control lead-based paint hazards.

(g) Conducting clearance testing and analysis for lead, mold, carbon monoxide and/or other toxins as appropriate, with respect to generally accepted standards or criteria, or where not available, other appropriate levels justified in conjunction with the project.

(h) Carrying out architectural, engineering and work specification development and other construction management services to control housing-based hazards and remediate existing hazards.

(i) Providing training on safe maintenance practices to homeowners, renters, painters, remodelers, and housing maintenance staff working in low- or very-low income housing.

(j) Providing cleaning supplies for hazard intervention and hazard control to community/neighborhood-based organizations for use by homeowners and tenants in low income housing, or to such homeowners, and tenants directly.

(k) Conducting general or targeted community awareness or education

programs on environmental health and safety hazards. This activity would include training on safe maintenance and renovation practices, among other topics, and further fair housing and environmental justice goals. It would also include making materials available, upon request, in alternative formats for persons with disabilities (e.g., Braille, audio, large type), and in languages other than English that are common in the community, whenever possible.

(l) Securing liability insurance for hazard intervention and hazard evaluation and control activities to be performed.

(m) Supporting data collection, analysis, and evaluation of project activities. This activity is separate from administrative costs.

(n) Conducting applied research activities directed at demonstration of cost-effective evaluation and intervention methods for assessing and preventing housing-based hazards.

(o) Presenting research findings at a scientific or other conference at the request of HUD.

(p) Maintaining a registry (updated at least monthly) of housing units in which housing-based hazards were not found during evaluation, and those in which such problems and hazards have been controlled. Units on the registry should be affirmatively marketed to families with young children (especially low income families) and such families should be given preference for occupancy when they are vacant.

(q) Preparing quarterly progress reports, interim and final research reports, and an overall final grant report detailing activities (e.g., number of units tested, types of interventions provided, evaluation of most cost efficient methodologies by type of unit), findings, and recommended future actions for cost effective interventions, at the conclusion of grant activities.

(2) *Support Elements.*

(a) Your administrative costs.

(b) Program planning and management costs of sub-grantees and other sub-recipients.

(D) *Ineligible Activities.* (1) Purchase of real property.

(2) Purchase or lease of equipment having a per unit cost in excess of \$5,000, unless prior written approval is obtained from HUD.

(3) Medical treatment costs.

IV. Program Requirements

In addition to program requirements listed in the **General Section** of the SuperNOFA, you, the applicant must comply with the following requirements:

(A) *Budgeting—Administrative Costs.* There is a 10% maximum for administrative costs. The application kit contains specific information on allowable administrative costs.

(B) *Period of Performance.* The period of performance cannot exceed 36 months.

(C) *Coastal Barrier Resources Act.* Pursuant to the Coastal Barrier Resources Act (16 U.S.C. 3501), funds may not be used for properties located in the Coastal Barrier Resources System.

(D) *Flood Disaster Protection Act.* Under the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001–4128), funds may not be used for construction, reconstruction, repair or improvement of a building or mobile home which is located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards unless:

(1) The community in which the area is situated is participating in the National Flood Insurance Program in accordance with the applicable regulations (44 CFR parts 59–79), or less than a year has passed since FEMA notification regarding these hazards; and

(2) Where the community is participating in the National Flood Insurance Program, flood insurance on the property is obtained in accordance with section 102(a) of the Flood Disaster Protection Act (42 U.S.C. 4012a(a)). You are responsible for assuring that flood insurance is obtained and maintained for the appropriate amount and term.

(E) *National Historic Preservation Act.* The National Historic Preservation Act of 1966 (16 U.S.C. 470) (NHPA) and the regulations at 36 CFR part 800 apply to the mold intervention and related hazard control activities that are undertaken pursuant to this program. HUD and the Advisory Council for Historic Preservation have developed an optional Model Agreement for use by grantees and State Historic Preservation Officers in carrying out any lead hazard control activities under this program. This must be obtained from the SuperNOFA Clearinghouse.

(F) *Waste Disposal.* Waste disposal will be handled according to the requirements of the Occupational Health and Safety Administration (OSHA) (e.g., 29 CFR part 1910 and/or 1926, as applicable), the Environmental Protection Agency (EPA) (e.g., 40 CFR parts 61, 260–282, 300–374, and/or 700–799, as applicable), the Department of Transportation (e.g., 49 CFR parts 171–177), and/or appropriate State or local regulatory agency(ies). Disposal of wastes from intervention activities that contain lead-based paint but are not

classified as hazardous will be handled in accordance with the HUD *Guidelines*.

(G) *Worker Protection Procedures.* You must comply with the requirements of OSHA (e.g., 29 CFR part 1910 and/or 1926, as applicable), or the State or local occupational safety and health regulations, whichever are most stringent.

(H) *Written Policies and Procedures.* You must have written policies and procedures for all phases of intervention, including evaluation, development of specifications, financing, occupant relocation, independent project inspection, and clearance testing (e.g., for mold, lead, carbon monoxide or other hazards, as applicable). You and all your subcontractors, sub-recipients, and their contractors must comply with these policies and procedures.

(I) *Clearance Testing.* Clearance dust testing must be conducted according to the HUD *Guidelines*. You are required to meet the interim post-hazard control dust-wipe test clearance thresholds at 24 CFR 35.1320 (published in the **Federal Register** at 64 FR 50218, September 15, 1999). These standards are also in the application kit. Wipe tests shall be conducted by an appropriately certified individual who is independent of the lead hazard control contractor. Dust-wipe and soil samples and any paint samples to be analyzed by a laboratory, must be analyzed by a laboratory recognized by the EPA National Lead Laboratory Accreditation Program (NLLAP). Units treated shall not be reoccupied until clearance is achieved.

(J) *Continued Availability of Safe Housing to Low-Income Families.* Units in which housing-based hazards have been controlled under this program shall be occupied by and/or continue to be available to low-income residents.

(K) *Environmental Review.* You must comply with HUD's regulations in 24 CFR 50.3(h) in carrying out responsibilities regarding HUD's environmental review. Recipients of a grant under this NOFA will be given guidance in these responsibilities.

(L) *Economic Opportunities for Low and Very Low-Income Persons (Section 3).* Recipients of assistance must comply with section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u (Economic Opportunities for Low and Very Low-Income Persons in Connection with Assisted Projects) and the HUD regulations at 24 CFR part 135, including the reporting requirements of subpart E. Section 3 requires recipients to ensure that, to the greatest extent feasible, training, employment and other economic opportunities will be directed

to (1) low and very low income persons, particularly those who are recipients of government assistance for housing, and (2) business concerns which provide economic opportunities to low and very low income persons.

(M) *Data collection and provision.* You must collect, maintain and provide to HUD the data necessary to document the various approaches used to evaluate and control housing-based hazards, including evaluation and control methods, building conditions, medical and familial information (with confidentiality of individually-identifiable information ensured) in order to determine the effectiveness and relative cost of these methods.

(N) *Certifications and Assurances.* You must include the certifications and assurances listed in Section II(G) of the **General Section** of the SuperNOFA with your application.

(O) *Davis-Bacon Act.* The Davis-Bacon Act does not apply to this program. However, if program funds are used in conjunction with other Federal programs in which Davis-Bacon prevailing wage rates apply, then Davis-Bacon provisions would apply to the extent required under the other Federal programs.

V. Application Selection Process

Please see Section III of the **General Section** of this SuperNOFA. Applications that meet all of the threshold requirements will be eligible to be scored and ranked based on the total number of points allocated for each of the rating factors described below. Your application must receive a total score of at least 65 points to remain in consideration for funding.

(A) *Rating and Ranking.* HUD intends to make awards to qualifying applications in the following order:

STEP 1. An award will be made to the highest ranked application in each of the three categories listed in Section III.(B) of this program section of the SuperNOFA within the limits of funding availability. If there are insufficient funds to award in all categories, HUD will make awards in categories (1) through (3) in order.

STEP 2. After following Step 1 if funding remains available, an award will be made in each of the categories (1) through (3) in order.

STEP 3. After following Step 2 if funding remains available, awards will be made in rank order regardless of category.

You must state the category for which you are applying. If an applicant wishes to apply under more than one category they must submit a separate application for each category. While you will not be

penalized for not addressing all the specific objectives within a given category, if two applications have equal scores, HUD will first select the applicant whose project addresses the most objectives.

(B) *Factors for Award Used to Evaluate and Rate Applications.* This section provides the factors for rating and ranking your application and the maximum points for each factor. The maximum number of points to be awarded is 102. This maximum includes two EZ/EC bonus points as described in the **General Section** of the SuperNOFA. Also, Section III(C)(2) of the **General Section**, which addresses a court-ordered consideration, is applicable to this program.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 Points)

This factor addresses your organizational capacity necessary to successfully implement your proposed activities in a timely manner. The rating of you or your staff includes any community-based organizations, sub-contractors, consultants, sub-recipients, and members of consortia that are firmly committed to your project. In rating this factor HUD will consider:

(1) Your recent, relevant and successful demonstrated experience in undertaking eligible program activities. You must describe the knowledge and experience of the proposed overall project director and day-to-day program manager in planning and managing large and complex interdisciplinary programs, especially those involving housing rehabilitation, public health, or environmental programs. In your narrative response for this factor, you should include information on your program staff, their experience, commitment to the program, and position titles. Resumes of up to three (3) pages each and position descriptions for up to three personnel in addition to the project director and program manager, and a clearly delineated organizational chart for your project must be included as an appendix. Copies of job announcements (including salary range) should be included for any key positions that are currently vacant. Indicate the percentage of time that key personnel will devote to your project and any salary costs to be paid by funds from this program. Include descriptions of the experience and qualifications of subcontractors and consultants.

(2) Your qualifications to carry out the proposed activities as evidenced by experience, academic background, training, and/or relevant publications of program staff.

(3) Whether you have sufficient personnel or will be able to quickly retain qualified experts or professionals to begin your proposed program immediately and to perform your proposed activities in a timely and effective fashion. Describe how principal components of your organization will participate in or support your project. You should thoroughly describe capacity, as demonstrated by experience in initiating and implementing related environmental, health, or housing projects.

Rating Factor 2: Need/Extent of the Problem (15 Points)

This factor addresses the extent to which there is a need for your proposed program activities to address documented problems, target area(s) and target groups.

(1) Document a critical level of need for your proposed activities in the area where activities will be carried out. You should pay specific attention to documenting need as it applies to your target area(s), rather than the larger geographic area.

(2) Your documentation should summarize available data linking housing-based hazards to disease or injuries to children in your target area(s). Examples of data that might be used to demonstrate need, include:

(a) Economic and demographic data relevant to your target area(s), including poverty and unemployment rates;

(b) Rates of childhood illnesses or injuries (e.g., asthma, burns) that could be caused or exacerbated by exposure to conditions in the home environment, among children residing in your target area(s), and/or rates of environmentally-related disease or adverse health effects (e.g., hypertension, elevated blood lead levels) in your target area(s); and

(c) Unavailability of other Federal, State or local funding or private sector resources that could be, or is used, to address the problem.

(3) For the areas targeted for your project activities, provide data available in your jurisdiction's currently approved Consolidated Plan, or derived from 1990 Census Data, or derived from other sources (all data should be documented) that address:

(a) The age and condition of housing;

(b) The number and percentage of very-low and low income families with incomes less than 80% of the median income, as determined by HUD, for the area, with adjustments for smaller and larger families (See application kit for additional information).

(c) To the extent that statistics and other data contained in your

community's Consolidated Plan or Analysis of Impediments to Fair Housing Choice (AI) support the extent of the problem, you should include references to the Consolidated Plan and the AI in your response.

(d) Data documenting targeted groups that are traditionally underserved or have special needs. If the data presented in your response does not specifically represent your target area, you should discuss why the target areas are being proposed. If your application addresses needs that are in the Consolidated Plan, AI, court orders or consent decrees, settlements, conciliation agreements, and voluntary compliance agreements, you will receive more points than applicants that do not relate their program to identified need.

(4) Applicants proposing research activities should provide a statement supporting the need for this research.

Rating Factor 3: Soundness of Approach (45 Points)

This factor addresses the quality and cost-effectiveness of your proposed work plan. You should present information on the proposed approach for addressing housing-based hazards and describe how proposed activities would help HUD achieve its goals for this program area. For you to receive maximum points for this factor, there must be a direct relationship between the proposed activities, community or research needs, and the purpose of the program. The response to this factor should include the following elements:

(1) **Strategy (25 points).** Describe your program goals and objectives and the strategy you will use in planning and executing the project. You should provide information on the general approach and overall plan employed:

(a) **Baseline Plan for Project Management (10 points).** Include a management plan that:

(i) Lists the project objectives, major tasks and activities. All specific activities necessary to complete the proposed project must be included in the task listing;

(ii) Identifies appropriate performance goals and benchmarks;

(iii) Provides a schedule for the assignment and completion of major tasks and activities, and a timeframe for delivery;

(iv) Designates resources and identifies responsible entities; and

(v) Provides an estimate of per unit (or other appropriate apportionment) costs (and a basis for those estimates) for the type of interventions that are planned.

(b) **Budget Justification (2 points).** Your proposed budget will be evaluated for the extent to which it is reasonable,

clearly justified, and consistent with the project management plan and intended use of program funds. HUD is not required to approve or fund all proposed activities. You must thoroughly document and justify all budget categories and costs (Part B of Standard Form 424A) and all major tasks. Describe clearly and in detail your budgeted costs for each required program element (major task) included in your overall plan.

(c) **Project Evaluation (8 points).** You are required to identify and discuss the specific methods you will use to measure progress towards your goals, track and report results of interventions, and evaluate the effectiveness of interventions:

(i) Discuss the performance goals for your project and identify specific outcome measures;

(ii) Describe how the outcome information will be obtained, documented, and reported; and

(iii) Identify the major milestones for your project, and describe how your progress towards these milestones will be tracked, recorded and reported.

(d) **Economic Opportunity (5 points).** To the greatest extent feasible, Your project should promote job training, employment, and other economic opportunities for low-income and minority residents and businesses which are owned by and/or employ low-income and minority residents as defined in 24 CFR 135.5. You should:

(i) Describe methods that will result in economic opportunities for residents and businesses in the community where activities will be carried out. Include information on how you will provide employment, business development, and contract opportunities;

(ii) Describe how you or your partners will satisfy the requirements of section 3 of the Housing and Urban Development Act of 1968 to give preference to hiring low- and very low-income persons or contracting with businesses owned by or employing low- and very-low income persons;

(iii) Describe how your proposed project will further and support the policy priorities of the Department, including providing opportunities for self-sufficiency, particularly for persons enrolled in welfare-to-work programs; or providing educational and job training opportunities; and

(iv) Describe the extent to which your proposed activities will occur in an Empowerment Zone or Enterprise Community (EZ/EC), if applicable.

(2) **Approach for Implementing the Project (20 points).** Describe your overall approach for your proposed project. The description must include a

discussion of specific planned program activities which address one or more of the following categories:

(a) **Demonstration activities.**

(i) Describe in detail how you will identify, select, prioritize, and enroll units of eligible housing in which you will undertake housing-based hazards interventions, how you will integrate safe work practices into housing maintenance, repair, and improvements, and then target such units to low-income families with young children. You should use all reasonably available sources of information on controlling housing-based hazards in buildings and protecting workers and occupants during and after the intervention process.

(ii) Describe any assessment tools you would employ to establish baseline data.

(iii) Provide the estimated total number of owner occupied and/or rental units in which you will conduct interventions.

(iv) Describe your process for evaluating units of eligible housing in which you will undertake housing-based hazard interventions.

(v) Describe any specialized testing or visual inspection that you will conduct during unit inspection with reference to source(s) of the protocol(s).

(vi) Discuss efforts to incorporate cost-effective methods to address multiple environmental health and safety hazards, and describe the specific interventions you will utilize to control housing-based hazards before children are affected; and/or to control these hazards in units where children have already been treated for illnesses or injuries associated with housing-based hazards (e.g., burns, lead poisoning, asthma).

(vii) Describe the process for your referral of children for medical case management if this is not ongoing.

(viii) Describe your process for the development of work specifications for the selected interventions.

(ix) Describe your management processes to be used to ensure the cost-effectiveness of the housing interventions, and provide cost estimates per intervention and per unit.

(x) Discuss your contracting process to obtain contractors to conduct interventions in selected units.

(xi) Describe your plan for the temporary relocation of occupants of units selected for intervention, if relocation is necessary, and how you will determine the need for relocation. Address the use of safe houses and other housing arrangements, storage of household goods, stipends, incentives, etc.

(xii) Describe your plan for ensuring right of return and/or first referral for occupants of units selected for intervention who have had to move for intervention to occur.

(xiii) Describe how you will affirmatively further fair housing.

(xiv) Describe the financing strategy, including eligibility requirements, terms, conditions, and amounts available, to be employed in conducting housing-based hazards activities. You must discuss the way funds will be administered (e.g., use of grants, deferred loans, forgivable loans, other resources, private sector financing, etc.) as well as the agency which will administer the process.

(b) *Outreach Activities.* This should include general and/or targeted efforts undertaken to assist your efforts in reducing exposure to housing-based hazards. You must describe:

(i) Proposed methods of community outreach. These should include community awareness, education, training, and outreach programs in support of your work plan and objectives that are culturally sensitive, targeted, and linguistically appropriate.

(ii) Proposed involvement of neighborhood or community-based organizations in the proposed activities. These activities may include outreach, community education, marketing, inspection, and housing evaluations and interventions.

(iii) Proposed methods to reach high risk groups and communities, vulnerable populations and persons traditionally underserved (see Rating Factor 2(d)).

(c) *Research Activities.*

(i) Provide a detailed description of your proposed applied research activities. Your research designs should be feasible and display thorough knowledge of relevant scientific literature.

(ii) Include an appropriate plan for managing, analyzing and archiving data.

(iii) Describe how quality assurance and quality control are integrated into your research design to ensure the validity and quality of collected data.

(iv) Describe technical qualifications and requirements for laboratories. To be eligible for points under this factor, any laboratories you use must successfully participate in the Clinical Laboratory Program, National Lead Laboratory Accreditation Program, and/or National Voluntary Laboratory Accreditation Program, or other applicable quality assurance program, which you demonstrate to be substantially equivalent.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses your ability to secure other community resources (such as financing, supplies or services) which can be combined with HUD's resources to achieve project purposes.

(1) In evaluating this factor, HUD will consider the extent to which you have partnered with other entities to secure additional resources to increase the effectiveness of your proposed project. Describe how other organizations will participate in or support your project. Resources may include funding or in-kind contributions (such as services or equipment) allocated to your proposed program. Resources may be provided by governmental entities, public or private organizations, or other entities willing to be your partner in this effort.

(2) Each source of contributions (financial or in kind) must be supported by a letter of commitment from the contributing entity, whether a public or private source, which must describe the contributed resources that will be used in your program. Staff in-kind contributions should be given a market-based monetary value. If you fail to provide letters of commitment with specific details including the amount of the actual contributions, you will not get rating points for this factor. Each letter of commitment, memorandum of understanding, or agreement to participate shall include the organization's name and the proposed level of commitment and responsibilities as they relate to the proposed program. The commitment must be signed by an official legally able to make commitments on behalf of the organization.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

This factor addresses the extent to which your program reflects a coordinated, community-based process of identifying needs and building a system to address the needs by using available HUD and other community resources. In evaluating this factor, HUD will consider:

(1) The degree of coordination of your proposed project with those of other groups or organizations to best support and coordinate all activities, and the specific steps you will take to share information on solutions and outcomes with others. Any written agreements or memoranda of understanding in place must be described.

(2) The extent to which you have developed linkages, or the specific steps you will take to develop linkages, to coordinate your activities so solutions

are holistic and comprehensive. Linkages include those with other HUD, Federal, State, the Partnership for Advancing Technology in Homebuilding (PATH) (see Section VI(E) of the **General Section** of the SuperNOFA), or locally funded activities through meetings, information networks, planning processes, or other means.

(3) The degree of coordination with housing rehabilitation, housing and health inspection, and other related housing programs.

(a) Describe your plan for integrating and coordinating housing-based hazards interventions with other housing-related activities (e.g., rehabilitation, weatherization, removal of code violations, and other similar work).

(b) Describe your plans to consolidate housing-based hazards interventions with applicable housing codes and health regulations.

(c) Describe your plans to generate and use public subsidies or other resources (such as revolving loan funds) to finance future interventions to prevent and control housing-based hazards, particularly in low- and very-low-income housing.

(d) Detail the extent to which you will ensure that the needs of minorities and persons with disabilities will be addressed adequately during your intervention activities; and that housing in which environmental hazards have been addressed will remain available and affordable in the long run for low income, minority, large families, and for persons with disabilities.

(4) If applicable, the application should demonstrate a knowledge of the target community's Consolidated Plan and/or Analysis of Impediments to Fair Housing Choice and detail the Consolidated Plan issue areas in which your organization participates. Describe the degree to which you have become actively involved (or if not currently active, the specific steps you will take to become active) in your community's Consolidated Planning process established to identify and address a need/problem that is related in whole or part, directly, or indirectly the activities you propose.

VI. Application Submission Requirements

(A) *Applicant Information.* You should submit your application in accordance with the format and instructions contained in this program section of this SuperNOFA (the application kit repeats this information). The following is a checklist of required application contents. Your application must contain the items listed in this

Section V(B). These items include the standard forms, certifications, and assurances listed in the **General Section** of the SuperNOFA that are applicable to this funding (collectively, referred to as the "standard forms"). The standard forms can be found in Appendix B to the **General Section** of the SuperNOFA. The remaining application items that are forms (i.e., excluding such items as narratives), referred to as the "non-standard forms" can be found as Appendix C to this program section of the SuperNOFA. The items are as follows:

(1) Transmittal letter that summarizes your proposed program, provides the dollar amount requested, and identifies you and your partners in the application.

(2) The name, mailing address, telephone number, and principal contact person. If you are a consortium of associates, sub-recipients, partners, major subcontractors, joint venture participants, or others contributing resources to the project, similar information shall also be provided for each of these entities and you must specify the lead entity.

(3) Checklist and Submission Table of Contents.

(4) Completed Forms HUD-2880, Applicant/Recipient Disclosure/Update Report; Certification Regarding Lobbying; and SF-LLL, Disclosure of Lobbying Activities, where applicable.

(5) Standard Forms SF-424, 424A, 424B, and other certifications and assurances listed in this program section.

(6) A narrative statement addressing the rating factors for award. The narrative statement must be numbered in accordance with each factor for award (Rating Factors 1 through 5). The response to the rating factors must not exceed a total of 25 pages. Any pages in excess of this limit will not be read.

(7) Any attachments, appendices, references, or other relevant information that directly support the narrative may accompany it, but must not exceed twenty (20) pages for your entire application. *Any pages in excess of this limit will not be read.*

(8) A detailed budget with supporting cost justification for all budget categories of your funding request (in accordance with Rating Factor 3(b)(1)). This information will not be counted towards the page limits.

(9) The resumes and position descriptions of your project director and program manager and up to three additional key personnel, not to exceed three pages each (in accordance with Rating Factor 1). This information will not be counted towards the page limits.

VII. Corrections to Deficient Applications

The **General Section** of the SuperNOFA provides the procedures for corrections to deficient applications.

VIII. Environmental Requirements

Activities assisted under this program are subject to HUD environmental review to the extent required under 24 CFR part 50. An award under the Healthy Homes Initiative does not constitute approval of specific sites where activities may be carried out. Following award execution, HUD will perform environmental reviews for activities to be carried out on properties proposed by your organization. You may not rehabilitate, convert, repair or construct a property, or commit or expend program funds or non-HUD funds for these program activities for any eligible property, until you receive written notification from the appropriate HUD official that HUD has completed its environmental review and the property has been approved. The results of environmental reviews may require that proposed activities be modified or proposed sites rejected.

X. Authority

The authority for this program is the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2000, Pub.L. 106-74, approved October 20, 1999, 113 Stat. 1047.

Appendix A

The following briefly describes the housing-associated health and injury hazards HUD considers key targets for intervention:

Allergens and asthma: Experts estimate that 14 million Americans have asthma, with an associated annual cost of \$14 billion. Asthma is now recognized as the leading cause of school and work absence, emergency room visits and hospitalization. For sensitized children, exposure to antigens from dust mites, certain pets, and cockroaches has been associated with more severe asthma. There is a preponderance of evidence showing a dose-response relationship between exposure and prevalence of asthma and allergies; some evidence also indicates that exposure to antigens early in life may predispose or hasten the onset of allergies and asthma. Dust mites have been identified as the largest trigger for asthma and allergies. Cockroach allergens appear to be excessive in 30-50% of inner-city housing and affect 5-15% of the population, whereas dust mite appears to be the dominant allergen in other environments.

Interventions known to have beneficial effects include installation of impervious mattress and pillow covers, which can reduce allergen exposure by 90%. Other dust mite control measures include dehumidification, laundering bedding, and removal of carpets and other dust sinks.

Cleaning carpets with tannic acid solution has also been demonstrated to greatly reduce dust mites. Asthma prevention program costs have been estimated at about \$500 per unit, which includes about \$150 for educational interventions.

Asbestos: Asbestos is a mineral fiber that has been used commonly in a variety of building construction materials and household products for insulation and as a fire-retardant. The Environmental Protection Agency (EPA) and the Consumer Product Safety Commission (CPSC) have banned most asbestos products. Manufacturers have also voluntarily limited uses of asbestos. Today, asbestos is most commonly found in older homes: in pipe and furnace insulation materials, asbestos shingles, millboard, textured paints and other coating materials, and floor tiles. Elevated concentrations of airborne asbestos can occur when asbestos-containing materials (ACM) are disturbed by cutting, sanding or other remodeling activities. Improper attempts to remove these materials can release asbestos fibers into the air in homes, increasing asbestos levels and endangering people living in those homes. The most dangerous asbestos fibers are too small to be visible. After they are inhaled, they can remain and accumulate in the lungs. Asbestos can cause lung cancer, mesothelioma (a cancer of the chest and abdominal linings), and asbestosis (irreversible lung scarring that can be fatal). Most people with asbestos-related diseases were exposed to elevated concentrations on the job; some developed disease from exposure to clothing and equipment brought home from job sites. As with radon, dose-response extrapolations suggest that lower level exposures, as may occur when asbestos-containing building materials deteriorate or are disturbed, may also cause cancer.

Intact asbestos-containing materials are not a hazard; they should be monitored for damage or deterioration and isolated if possible. Repair of damaged or deteriorating ACM usually involves either sealing (encapsulation) or covering (enclosure) it. Repair is usually cheaper than removal, but it may make later removal of asbestos more difficult and costly. Repairs should be done only by a professional trained and certified to handle asbestos safely and can cost from a few hundred to a few thousand dollars; removal can be more expensive.

Combustion products of heating and cooking appliances: Burning of oil, natural gas, kerosene, and wood for heating or cooking purposes can release a variety of combustion products of health concern. Depending upon the fuel, these may include carbon monoxide (a chemical asphyxiant), oxides of nitrogen (respiratory irritants), polycyclic aromatic hydrocarbons (e.g., the carcinogen benzo[a]pyrene), and airborne particulate matter (respiratory irritants). Carbon monoxide, an odorless gas, can be fatal. Nitrogen dioxide can damage the respiratory tract, and sulfur dioxide can irritate the eyes, nose and respiratory tract. Smoke and other particulates irritate the eyes, nose and throat, and can cause lung cancer.

Improper venting and poor maintenance of heating systems and cooking appliances can

dramatically increase exposure to combustion products. Experts recommend having combustion heating systems inspected by a trained professional every year to identify blocked openings to flues and chimneys; cracked or disconnected flue pipe; dirty filters; rust or cracks in the heat exchanger; soot or creosote build-up; and exhaust or gas odors. Installing a carbon monoxide detector is also recommended; however, such a detector will not detect other combustion by-products.

Insect and Rodent pests: The observed association between exposure to cockroach antigen and asthma severity has already been noted above. In addition, cockroaches may act as vehicles to contaminate and environmental surfaces with certain pathogenic organisms. Rodents can transmit a number of communicable diseases to humans, either through bites, arthropod vectors, or exposure to aerosolized excreta. In addition, humans can become sensitized to proteins in rodent, urine, dander and saliva. Such sensitization may contribute to asthma severity among children. Insect and rodent infestation is frequently associated with substandard housing that makes it difficult to eliminate. Treatment of rodent and insect infestations often includes the use of toxic pesticides which may present hazards to occupants (see below). Integrated pest management (IPM) for rodents and cockroaches, which reduces the use of pesticides, is estimated to cost approximately \$150 per unit. IPM control measures include sealing holes and cracks, removing food sources and use of traps.

Lead: Exposure to lead, especially from deteriorating lead-based paint, remains one of the most important and best-studied of the household environmental hazards to children. Although blood lead levels have fallen nationally, a large reservoir of lead remains in housing. The most recent national survey, conducted from 1991–94, showed that nearly one million U.S. preschoolers still have elevated blood lead levels. Overall, the prevalence rate among all children under six years of age is 4.4%. Among low-income children living in older housing where lead-based paint is most prevalent, the rate climbs to 16%; and for African-American children living in such housing, it reaches 21%.

HUD estimates that 64 million dwellings have some lead-based paint, and that 20 million have lead-based paint hazards. Of those, about 3.6 million have young children and of those, about 500,000 units have inadequate cash flow to respond to lead-based paint hazards. Costs can range anywhere from \$500 to \$15,000 per unit. Corrective measures include paint stabilization, enclosure and removal of certain building components coated with lead paint, and cleanup and “clearance testing”, which ensures the unit is safe for young children.

Mold and moisture: An analysis of several pulmonary disease studies estimates that 25% of airways disease, and 60% of interstitial lung disease may be associated with moisture in the home or work environment. Moisture is a precursor to the growth of mold and other biological agents, which is also associated with respiratory

symptoms. An investigation of a cluster of pulmonary hemosiderosis (PH) cases in infants showed PH was associated with a history of recent water damage to homes and with levels of the mold *Stachybotrys atra* (SA) in air and in cultured surface samples. Associations between exposure to SA and “sick building” symptoms in adults have also been observed. Other related toxigenic fungi have been found in association with SA-associated illness and could play a role. For sensitive individuals, exposure to a wide variety of common molds may also aggravate asthma. Addressing mold problems in housing requires coordination among the medical, public health, microbiological, housing, and building science communities.

The cost of mold/moisture-related intervention work (e.g., integrated pest management, clean & tune furnace, remove debris, vent clothes dryer, cover dirt floor with impermeable vapor barrier) is a few hundred dollars, unless major modification of the ventilation system is needed. In Cleveland, mold interventions, including repairs to ventilation systems and basement flooring, in the most heavily-contaminated homes range from \$500–\$5,000, with some costs also being dedicated to lead hazard control simultaneously through its lead+asthma program.

Pesticide residues: According to the EPA, 75 percent of U.S. households used at least one pesticide product indoors during the past year. Products used most often are insecticides and disinfectants. Another study suggests 80 percent of most people’s exposure to pesticides occurs indoors and that measurable levels of up to a dozen pesticides have been found in the air inside homes. The amount of pesticides found in homes appears to be greater than can be explained by recent pesticide use in those households; other possible sources include contaminated soil or dust that migrates in from outside, stored pesticide containers, and household surfaces that collect and then release the pesticides. Pesticides used in and around the home include products to control insects (insecticides), termites (termiteicides), rodents (rodenticides), molds and fungi (fungicides), and microbes (disinfectants). In 1990, the American Association of Poison Control Centers reported that some 79,000 children were involved in common household pesticide poisonings or exposures. In households with children under five years old, almost one-half stored at least one pesticide product within reach of children. Exposure to chlorpyrifos (CP), a commonly used organophosphate insecticide, in the prenatal and early postnatal period may impair neurodevelopment. While CP is a biodegradable pesticide, substantial persistence of CP in house dust has been demonstrated. Exposure to high levels of cyclodiene pesticides, commonly associated with misapplication, has produced various symptoms, including headaches, dizziness, muscle twitching, weakness, tingling sensations, and nausea. In addition, EPA is concerned that cyclodienes might cause long-term damage to the liver and the central nervous system, as well as an increased risk of cancer.

There are available data on hazard evaluation methods and remediation

effectiveness regarding pesticide residues in the home environment.

Radon progeny: The National Academy of Sciences estimates that approximately 15,000 cases of lung cancer per year are related to radon exposure. Epidemiologic studies of miners exposed to high levels of radon in inhaled air have defined the dose response relation for radon-induced lung cancer at high exposure levels. Extrapolation of these data has been used to estimate the excess risk of lung cancer attributable to exposure to radon gas at the lower levels found in homes. These estimates indicate that radon gas is an important cause of lung cancer deaths in the U.S. Excessive exposures are typically related to home ventilation, structural integrity and location.

Radon measurement and remediation methods are well-developed, and the Environmental Protection Agency (EPA) recommends that every home be measured for radon. EPA estimates that materials and labor costs for radon reduction in an existing home are \$800–\$2500. Including radon resistant techniques in new home construction costs \$350–\$500, and can save up to \$65 annually in energy costs, according to the EPA.

Take home hazards from work/hobbies and work at home: When the clothing, hair, skin, or shoes of workers become contaminated with hazardous materials in the workplace, such contaminants may inadvertently be carried to the home environment and/or an automobile. Such “take-home” exposures have been demonstrated, for example, in homes of lead-exposed workers. In addition, certain hobbies or workplaces located in the home may provide an especially great risk of household contamination.

Control methods include storing and laundering work clothes separately, and showering and changing before leaving work, or immediately after arriving home. Once a home becomes contaminated, cleaning floors and contact surfaces and replacing furnishings may be necessary to reduce exposures.

Unintentional injuries/fire: Unintentional injury is now the leading cause of death and disability among children younger than 15 years of age. In 1997, nearly 7 million persons in the United States were disabled for at least 1 full day by unintentional injuries received at home. During the same year, 28,400 deaths were attributable to unintentional home injuries, of which 1800 occurred among children 0–4 years of age. Among young children, three types of events accounted for more than 3/4 of deaths: fires/burns, drownings, and mechanical suffocation. Falls and poisoning are the next most common.

Home visitation protocols have been shown to be effective in reducing exposure to such hazards. The “add-on” cost of injury prevention measures, when combined with other housing interventions are estimated at about \$100 per unit. This includes the cost of some injury prevention devices, such as smoke alarms, electrical socket covers, etc.

APPENDIX B**References**

To secure any of the documents listed, call the listed telephone number (generally, the telephone numbers are not toll-free).

Regulations

1. Worker Protection: OSHA publication—Telephone: 202-693-1888 (OSHA Regulations) (available for a charge)—Government Printing Office—Telephone: 202-512-1800 (not a toll-free number):

—General Industry Lead Standard, 29 CFR 1910.1025 (Document Number 869022001124). Can be downloaded from the Internet without a charge from www.osha-slc.gov/OshStd_data/1910_1025.html.

—Lead Exposure in Construction, 29 CFR 1926.62, and appendices A, B, C, and D (Document Number 869022001141). Can be downloaded from the Internet without a charge from www.osha-slc.gov/OshStd_data/1926_0062.html.

2. Waste Disposal: 40 CFR parts 260-268 (EPA regulations) (available for a charge)—Telephone 1-800-424-9346, or, from the Washington, DC, metropolitan area, 1-703-412-9810 (not a toll-free number). Can be downloaded from the Internet without a charge from www.epa.gov/docs/epacfr40/chapt-I.info/subch-I/.

3. Lead; Requirements for Lead-Based Paint Activities in Target Housing and Child-Occupied Facilities; Final Rule: 40 CFR part 745, Subparts L and Q (EPA) (State Certification and Accreditation Program for those engaged in lead-based paint activities)—Telephone: 1-202-554-1404 (Toxic Substances Control Act Hotline) (not a toll-free number). Can be downloaded from the Internet without a charge from www.epa.gov/opptintr/lead/index.html.

Guidelines

1. Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing; HUD, June 1995, and amended September, 1997. (available for a charge)—Telephone: 800-245-2691. Can be downloaded from the Internet without a charge from www.hud.gov/lea/leadwnlo.html.

2. Preventing Lead Poisoning in Young Children; Centers for Disease Control, October 1991; Telephone: 888-232-6789.

3. Screening Young Children for Lead Poisoning: Guidance for State and Local Public Health Officials, November 1997; Centers for Disease Control and Prevention (CDC); Telephone: 888-232-6789. Can be downloaded from the Internet without a charge from www.hud.gov/lea/leadwnlo.html.

Reports

Putting the Pieces Together: Controlling Lead Hazards in the Nation's Housing. (Summary and Full Report); HUD, July 1995 (available for a charge)—Telephone 800-245-2691. Can be downloaded from the Internet without a charge from www.hud.gov/lea/leadwnlo.html

The Healthy Homes Initiative: A Preliminary Plan (Summary and Full Report); HUD, July 1995. Can be downloaded from the Internet without a charge from www.hud.gov/lea/leadwnlo.html

3. Institute of Medicine. *Indoor Allergens. Assessing and Controlling Adverse Health Effects*. National Academy Press. Washington, D.C. 1993.

4. Mott L., Our Children at Risk. Natural Resources Defense Council. Washington, D.C. 1997 Can be ordered from the Internet from WWW.nrdc.org.

5. Rom W.N. Ed. Environmental and Occupational Medicine. Little, Brown and Co., Boston. 1992.

6. President's Task Force on Environmental Health Risks and Safety Risks to Children. *Asthma and The Environment: An Action Plan To Protect Children*. Washington, D.C. 1999. Can be downloaded from the Internet without a charge from www.epa.gov/children.

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APPENDIX C

The non-standard forms, which follow, are required for your HHI application. They are the Checklist and Submission Table of Contents and the Total Budget (Federal Share and Matching Contribution, including instructions).

**CHECKLIST AND SUBMISSION TABLE OF CONTENTS
HEALTHY HOMES INITIATIVE**

The following checklist is provided to ensure that you have submitted all of the required items in order for you to receive consideration for funding under this NOFA. Applicants must check off each item that they have included in their submission package and note the corresponding page number where the response is located. Applicants are to include this Checklist and Submission Table of Contents with the proposal. Application pages must be consecutively numbered.

- | | | |
|--------------------------|---------------------------------------|------------|
| <input type="checkbox"/> | Transmittal Letter | Cover page |
| <input type="checkbox"/> | Project Abstract (limited to 2 pages) | p. ____ |

Application Forms

- | | | |
|--------------------------|---|---------|
| <input type="checkbox"/> | Standard Form 424 (Application for Federal Assistance) | p. ____ |
| <input type="checkbox"/> | Standard Form 424A (Budget Information/ Non-Construction Programs) | p. ____ |
| <input type="checkbox"/> | Total Budget (Federal Share and Matching) | p. ____ |
| <input type="checkbox"/> | Standard Form 424B (Assurances/ Non-Construction Programs) | p. ____ |
| <input type="checkbox"/> | HUD 2880 Disclosure and Update Report Form | p. ____ |
| <input type="checkbox"/> | HUD 50070 Drug-Free Certification/ Place of Performance | p. ____ |
| <input type="checkbox"/> | HUD 50071 Certification of Payments to Influence Federal Transactions | p. ____ |
| <input type="checkbox"/> | HUD 2992 Certification Regarding Debarment and Suspension | p. ____ |
| <input type="checkbox"/> | Form SF-LLL Disclosure of Lobbying Activities Required | p. ____ |
| <input type="checkbox"/> | Form SF-LLL Not Required | |

Response to Rating Factors

(The narrative response to the Rating Factors cannot exceed a total of 25 pages.)

- | | | |
|--------------------------|---|---------|
| <input type="checkbox"/> | # 1. Capacity of the Applicant and Relevant Organizational Experience | p. ____ |
| <input type="checkbox"/> | # 2. Needs/Extent of the Problem | p. ____ |
| <input type="checkbox"/> | # 3. Soundness of Approach | p. ____ |
| <input type="checkbox"/> | # 4. Leveraging Resources | p. ____ |
| <input type="checkbox"/> | # 5. Comprehensiveness and Coordination | p. ____ |

Appendices

- | | | |
|--------------------------|---|---------|
| <input type="checkbox"/> | Appendix 1 - Materials relating to Rating Factor 1-5 (in order) | p. ____ |
| <input type="checkbox"/> | Appendix 2 - Materials relating to the forms | p. ____ |
| <input type="checkbox"/> | Appendix 3 - Other materials relating to the application | p. ____ |
|
 | | |
| <input type="checkbox"/> | HUD 2993 Acknowledgment of Application Receipt | p. ____ |

Spreadsheet version available from www.hud.gov/lea/leaforms.html

Budget Summary

Total Budget (Federal Share and Matching)

Detailed Description of Budget					
3c. Transportation - Other	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Subtotal - Transportation - Other					
3d. Per Diem or Subsistence (indicate location)	Days	Rate per Day	Estimated Cost	Federal Share	Match
Subtotal - Per Diem or Subsistence					
Total Travel Cost					
4. Equipment (Only items over \$5,000 each)	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Total Equipment Cost					
5. Supplies and Materials (Items under \$5,000)					
5a. Consumable Supplies	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Subtotal - Consumable Supplies					
5b. Non-Consumable Materials	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Subtotal - Non-Consumable Materials					
Total Supplies and Materials Cost					

Spreadsheet version available from www.hud.gov/lea/leaforms.html

Budget Summary

Total Budget (Federal Share and Matching)

Detailed Description of Budget					
6. Consultants (Type)	Days	Rate per Day	Estimated Cost	Federal Share	Match
Total Consultants Cost					
7. Contracts and Sub-Grantees (List individually)	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Total Subcontracts Cost					
8. Other Direct Costs	Quantity	Unit Cost	Estimated Cost	Federal Share	Match
Item					
Total Other Direct Costs					
9. Indirect	Rate	Base	Estimated Cost	Federal Share	Match
Type					
Total Indirect Costs					
Total Estimated Costs					

Total of Federal Share and Match

Spreadsheet version available from www.hud.gov/lea/leaforms.html

Analysis of Total Estimated Costs	Estimated Cost	Percent of Total	Percent of Labor
1 Personnel (Direct Labor)			
2 Fringe Benefits			
3 Travel			
4 Equipment			
5 Supplies and Materials			
6 Consultants			
7 Contracts and Sub-Grantees			
8 Other Direct Costs			
9 Indirect Costs			
Total			

Federal Share

Match

Expressed as a percentage of the Federal Share

Some cells in this spreadsheet are protected. There is no password for this spreadsheet.

Instructions for Completing the Budget Summary Spreadsheet

Note: an electronic version of this spreadsheet may be obtained from the
HUD Office of Lead Hazard Control website at www.hud.gov/lea/leaforms.html

Item	Discussion
1 - Personnel (Direct Labor)	<p>This section should show the labor costs for all individuals supporting the grant effort (regardless of the source of their salaries). The hours and costs are for the full life of the grant. If an individual is employed by a contractor or sub-grantee, their labor costs should not be shown here.</p> <p>Please include all labor costs which are associated with the proposed grant program, including those costs which will be paid for with in-kind or matching funds.</p> <p>Do not show fringe or other indirect costs in this section.</p> <p>Please use the hourly labor cost for salaried employees (use 2080 hours per year or the value your organization uses to perform this calculation). An employee working less than full time on the grant should show the numbers of hours they will work on the grant.</p>
2 - Fringe Benefits	<p>Use the standard fringe rates used by your organization. You may use a single fringe rate (a percentage of the total direct labor) or list each of the individual fringe charges. The spreadsheet is set up to use the Total Direct Labor Cost as the base for the fringe calculation. If your organization calculates fringe benefits differently, please use a different base and discuss how you calculate fringe as a comment.</p>
3 - Travel	
3a - Transportation - Local Private Vehicle	<p>If you plan on reimbursing staff for the use of privately owned vehicles or if you are required to reimburse your organization for mileage charges, show your mileage and cost estimates in this section.</p>
3b - Transportation - Airfare	<p>Show the estimated cost of airfare required to support the grant program effort. Show the destination and the purpose of the travel as well as the estimated cost of the tickets.</p> <p>Each lead program NOFA discusses the travel requirements which should be listed here.</p>
3c - Transportation - Other	<p>If you or are charged monthly by your organization for a vehicle for use by the grant program, indicate those costs in this section.</p> <p>Provide estimates for other transportation costs which may be incurred (metro, etc.).</p>

3d - Per Diem or Subsistence	<p>For travel which will require the payment of subsistence or per diem in accordance with your organization's policies. Indicate the location of the travel.</p> <p>Each lead program NOFA discusses the travel requirements which should be listed here.</p>
4 - Equipment	<p>Equipment is defined by HUD regulations as tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.</p> <p>Each lead program NOFA describes what equipment may be purchased using grant funding.</p>
5 - Supplies and Materials	<p>Supplies and materials are consumable and non-consumable items which have a unit value of less than \$5,000. Please list the proposed supplies and materials as either Consumable Supplies or as Non-Consumable Materials.</p>
5a - Consumable Supplies	<p>List the consumable supplies you propose to purchase. General office or other common supplies may be estimated using an anticipated consumption rate.</p>
5b - Non-consumable materials	<p>List furniture, computers, printers, and other items which will not be consumed in use. Please list the quantity and unit cost.</p>
6 - Consultants	<p>Please indicate the consultants you will use. Indicate the type of consultant (skills), the number of days you expect to use them, and their daily rate.</p>
7 - Contracts and Sub-Grantees	<p>List the contractors and sub-grantees which will help accomplish the grant effort. Other contracts which should be shown here include inspections, risk assessments, and clearance inspections; contracts with Community Based Organizations; liability insurance; contracts with laboratories; and training and certification for contractors and workers.</p> <p>If any contractor, sub-contractor, or sub-grantee is expected to receive over 10% of the total Federal amount requested, a separate Budget Summary spreadsheet should be developed for that contractor or sub-grantee and the total amount of their proposed effort should be shown as a single entry in this section.</p> <p>Unless your proposed program will perform the primary grant effort (lead hazard control, research, or healthy homes) with in-house employees (which should be listed in section 1), the costs of performing the primary grant activities (research, hazard control, etc.) should be shown in this section.</p> <p>Types of activities which should be shown in this section:</p> <ul style="list-style-type: none"> • Contracts for all services • Training for individuals not on staff • Contracts with Community Based Organizations or Other Governmental Organizations (note the 10% requirement

	<p>discussed above)</p> <ul style="list-style-type: none"> Insurance if your program will procure it separately <p>Please provide a short description of the activity the contractor or subgrantee will perform, if not evident.</p>
8 - Other Direct Costs	<p>Other Direct Costs include a number of items that are not appropriate for other sections.</p> <p>Other Direct Costs may include:</p> <ul style="list-style-type: none"> Staff training Telecommunications Printing and postage Relocation, if costs are paid directly by your organization (if relocation costs are paid by a subgrantee, it should be reflected in Section 7)
9 - Indirect Costs	<p>OMB Circular A87 defines indirect costs are those that have been incurred for common or joint purposes. These costs benefit more than one cost objective and cannot be readily identified with a particular final cost objective without effort disproportionate to the results achieved. Indirect costs include (a) the indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and (b) the costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.</p> <p>The spreadsheet is set up to use the Total Direct Labor plus the Fringe Benefits costs as the base for the indirect cost calculation. If your organization calculates indirect costs differently, please use a different base and discuss how you calculate fringe as a comment.</p>

The three rightmost columns allow you to identify how the costs will be spread between the Federal Share and the Match. This information will help the reviewers better understand your program and priorities. The far right column is an "error checking" function to confirm that the estimated cost is equal to the sum of the Federal Share and the Match. If there is a discrepancy, the word "Error" will appear.

Note: The formats and many of the cells for the spreadsheet (which can be downloaded from the HUD Office of Lead Hazard Control website at www.hud.gov/lea/fedshare.xls) are protected. There is no password for the protection.

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**HOPE VI REVITALIZATION
AND DEMOLITION**

FUNDING AVAILABILITY FOR THE HOPE VI PROGRAM**Program Overview**

Purpose of the Program. HOPE VI Revitalization Grants. In accordance with section 24(a) of the U.S. Housing Act of 1937 (1937 Act), the purpose of HOPE VI Revitalization grants is to assist public housing agencies (PHAs) to:

(1) Improve the living environment for public housing residents of severely distressed public housing projects through the demolition, rehabilitation, reconfiguration, or replacement of obsolete public housing projects (or portions thereof);

(2) Revitalize sites (including remaining public housing dwelling units) on which such public housing projects are located and contribute to the improvement of the surrounding neighborhood;

(3) Provide housing that will avoid or decrease the concentration of very low-income families; and

(4) Build sustainable communities.

HOPE VI Demolition Grants.

Demolition grants enable PHAs to expedite the demolition of severely distressed public housing units. Any subsequent new construction or revitalization of any remaining units must be funded from other resources, which may include a HOPE VI Revitalization Grant.

Available Funds. Approximately \$563.8 million, as allocated in accordance with Section II of this HOPE VI section of the SuperNOFA, below.

Eligible Applicants. PHAs that meet the requirements at Section III(B) of this HOPE VI section of the SuperNOFA, below.

Application Deadlines. Revitalization grant applications are due on **May 18, 2000**.

Demolition grant applications are due on June 14, 2000.

Additional Information

If you are interested in applying for a HOPE VI grant, please review the following information, the **General Section** of this SuperNOFA, and the HOPE VI Application Kit.

I. Application Due Dates, Application Kits, Further Information, and Technical Assistance.

Application Due Dates. Revitalization grant applications are due at HUD Headquarters on or before 12:00 midnight, Eastern time, on May 18, 2000.

Demolition grant applications are due at HUD Headquarters on or before 12:00 midnight, Eastern time, on June 14, 2000.

See Section VII(B)(3) of this HOPE VI section of the SuperNOFA, below, for important information regarding the application deadline and deficiency cure period for Demolition grant applications.

See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Address for Submitting Applications. Send two copies of your completed application to HUD Headquarters, 451 Seventh Street, SW, Room 4130, Washington, DC 20410, Attention: Elinor Bacon, Deputy Assistant Secretary for Public Housing Investments. In addition, send one copy of your completed application to your local HUD Field Office. A list of HUD Field Offices and their hours of operation is included as Appendix A of the **General Section** of this SuperNOFA. HUD will determine whether your application is timely filed based on the date and time of receipt at HUD Headquarters, not the date and time of receipt at your local Field Office.

Applications Submitted to HUD Field Offices. If you wish to hand carry the required copy of your application to your local HUD Field Office, you may do so during normal business hours before the application deadline date. On the application deadline date, HUD Field Office business hours will be extended to 6:00 pm.

Application Kits. HUD will mail an Application Kit to every eligible PHA. To obtain an Application Kit and any supplemental materials, please call the SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. When requesting an Application Kit, please refer to HOPE VI and provide your name, address (including zip code), and telephone number (including area code). The Application Kit also will be available on the HUD Home Page (www.hud.gov).

Further Information and Technical Assistance. You may call, fax or write Mr. Milan Ozdinec, Director, Office of Urban Revitalization, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4130, Washington, DC 20410; telephone (202) 708-2822; fax (202) 401-2370 (these are not toll free numbers). Persons with hearing or speech impairments may call via TTY by calling the Federal Information Relay Service at 1-800-877-8339.

Satellite Broadcast. HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD web site at <http://www.hud.gov>.

II. Amount Allocated

Type of assistance	Allocation of funds	Funds available for award in this HOPE VI section of the SuperNOFA
Revitalization Grants	\$513,800,000	\$513,800,000
Demolition Grants	50,000,000	50,000,000
Technical Assistance	10,000,000
Urban Institute Study	1,200,000
Total	575,000,000	563,800,000

(A) *Revitalization Grants.* (1) *Allocation of Funds.*

(a) Approximately \$513 million of the FY 2000 HOPE VI appropriation has been allocated to fund HOPE VI Revitalization grants and will be

awarded in accordance with this HOPE VI section of the SuperNOFA.

(b) The total amount you may request is limited to the sum of the amounts in paragraph (2) below or the amount in

paragraph (3) below of this Section II(A), whichever is lower.

(2) *Total Grant Amount.* You may submit one Revitalization grant application that requests up to \$35 million. If you erroneously submit more

than one application, HUD will require you to identify which application you want HUD to review.

(3) *Revitalization Grant Limitations.*

(a) *Total Development Cost (TDC).*

TDCs are limited by the HUD-published TDC Cost Tables, which are issued for each fiscal year for the building type and bedroom distribution for the public housing replacement units. Use the TDCs in force at the time the SuperNOFA is published when making your TDC calculations. The total cost of development, including relocation costs, is limited to the sum of:

(i) HUD's Total Development Costs (TDCs) up to 100 percent of HUD's published TDC limits for the costs of demolition and new construction, multiplied by the number of HOPE VI replacement units; and/or

(ii) 90 percent of the TDC limits, multiplied by the number of public housing units after substantial rehabilitation and reconfiguration.

(b) *Community and Supportive Services.* You may request an amount up to 15 percent of the total HOPE VI grant to pay the costs of community and supportive services, as described in Section IV(C)(2) of this HOPE VI section of the SuperNOFA, below. These costs are in addition to the TDC calculation in paragraph (a) above.

(c) *Demolition and Site Remediation Costs of Unreplaced On-site Units.* You may request an amount necessary for demolition and site remediation costs of units that will not be replaced on-site. This cost is in addition to the TDC calculation in subparagraph (a) above.

(d) *Extraordinary Site Costs.*

(i) You may request a reasonable amount to pay extraordinary site costs necessary to complete the proposed revitalization. These costs are in addition to the TDC calculation in paragraph (a) above. Extraordinary site costs may be incurred in the remediation and demolition of existing property, as well as in the development of new and rehabilitated units. Examples of such costs include, but are not limited to: extraordinary hazard abatement; removal or replacement of extensive underground utility systems; extensive rock and/or soil removal and replacement; construction of streets and other public improvements dealing with unusual site conditions such as slopes, terraces, water catchments, lakes, etc.; and dealing with flood plain and other environmental remediation issues.

(ii) Extraordinary site costs must be justified and verified by an engineer or architect licensed by his or her state licensing board who is not an employee of the housing authority or the city. The engineer or architect must provide his

or her license number and state of registration on the certification.

(4) *Revitalization Site and Unit Application Guidelines.*

(a) Your application may request funds for one public housing project (i.e., a project with one development number).

(b) Your application may request funds for more than one project if those projects are immediately adjacent to one another or within a quarter-mile of each other. If you include more than one project in a single application, you must provide a map that clearly indicates that the projects are within a quarter-mile of each other.

(c) Your application may request funds for a scattered site public housing project. An application involving scattered site properties (regardless of whether the scattered sites are under multiple project numbers) must fall within a one square mile area, except that you may identify a larger site if you can show that all of the targeted scattered site units are located within the hard edges (e.g., major highways, railroad tracks, lakeshore, etc.) of a neighborhood.

(d) You may request funds for as few or as many units as you wish in your application. HUD will review requests for small numbers of units on an equal basis with requests for large numbers of units.

(e) You may submit a Revitalization application that targets the same project that was targeted in a previously-funded HOPE VI Revitalization grant. However, you may not apply for new HOPE VI funds for units in that project that were funded in the previous grant, even if the previous grant turned out to be inadequate to fund all of the units originally targeted. For example, if a project has 700 units, and you were awarded a HOPE VI Revitalization grant to revitalize 300 of those units, you may submit a new Revitalization application to revitalize the remaining 400 units. You may not apply for supplemental funds to revitalize the original 300 units.

(f) You may not request HOPE VI Revitalization funds to replace units if you have previously received HOPE VI or other public housing funds to replace those same units.

(g) You may use any non-public housing funds to supplement public housing funds for any project cost.

(h) Your application must disclose all prior HUD public housing grant assistance received for the project(s) you have targeted for the physical revitalization related to the proposed revitalization activities. Do not include Modernization funds used for prior

rehabilitation activities unrelated to the proposed HOPE VI revitalization activities.

(B) *Demolition Grants.* (1) *Allocation of Funds.*

(a) Up to \$50 million of the FY 2000 HOPE VI appropriation has been allocated to fund HOPE VI Demolition grants and will be awarded in accordance with this HOPE VI section of the SuperNOFA.

(b) If all of these funds are not needed for demolition of severely distressed public housing, unused funds will be reallocated to fund eligible HOPE VI Revitalization applications, in rank order.

(c) HUD reserves the right to carry over unused funds to the next fiscal year if they are inadequate to feasibly fund the next-ranked Demolition or Revitalization application.

(2) *Demolition Grant Limitations.*

(a) *Demolition.* You may request up to \$5,000 per unit for demolition and other eligible related costs; and

(b) *Relocation.* You may request up to \$3,000 in relocation costs for each unit that is occupied as of the date of HOPE VI Demolition grant application submission, in accordance with Section III(C)(2)(e) of this HOPE VI section of the SuperNOFA, below; and

(c) *Extraordinary Site Costs.*

(i) You may request a reasonable amount to pay extraordinary site costs necessary to complete the proposed demolition. These costs are in addition to the TDC calculation in Section II(A)(3)(a) of this HOPE VI section of the SuperNOFA, above. Examples of such costs include, but are not limited to: extraordinary hazard abatement; extensive rock and/or soil removal and replacement; removal of extensive underground utility systems; dealing with unusual site conditions such as slopes, terraces, water catchments, lakes, etc.; and dealing with flood plain and other environmental remediation issues.

(ii) Extraordinary site costs must be justified and verified by an engineer or architect licensed by his or her state licensing board who is not an employee of the housing authority or the city. The engineer or architect must provide his or her license number and state of registration on the certification.

(d) *Nondwelling Facilities.* You may request reasonable amounts to pay for demolition of significant nondwelling facilities related to the demolition of dwelling units. These costs must be included as part of an application for funding of demolition of public housing units; you may not apply for them by themselves. Examples of such costs include, but are not limited to, the

demolition of heating plants, community buildings, or streets. Such costs must also be verified by an engineer or architect, as described in subparagraph (c)(ii) above.

(3) *Demolition Site and Unit Application Guidelines.* (a) You may submit multiple HOPE VI Demolition grant applications.

(b) You may target units in only one public housing project per application.

(c) You may submit more than one application targeting units in a single housing project.

(d) You may request funds for as many or as few units in an application as you wish.

(e) You may request Demolition grant funds in combination with a previously-awarded Revitalization grant or an FY 2000 Revitalization grant application, in accordance with Section VII(A)(1) (d) and (e) of this HOPE VI section of the SuperNOFA, below. The requested HOPE VI Demolition grant funds, in combination with HOPE VI Revitalization grant funds, may not exceed the TDC limit as provided in Section (II)(A)(3)(a), above.

(C) *Section 8.* (1) If you will need Section 8 assistance in order to carry out necessary relocation in conjunction with proposed revitalization or demolition, you must state the number of certificates needed in your HOPE VI application and include a completed Section 8 Application (HUD-52515) with your HOPE VI application. The Section 8 Application Form is appended to this HOPE VI section of the SuperNOFA, and also can be found in the HOPE VI Application Kit and through HUDCLIPS (www.hudclips.org). If you are selected for HOPE VI funding, the HUD Field Office will detach the Section 8 application and process it in accordance with Section 8 Guidelines. HUD will award Section 8 assistance needed for HOPE VI sites after the HOPE VI selections have been made and the Revitalization Plan is approved.

(2) If you have already applied for Section 8 assistance for the targeted units, you will submit a copy of your Section 8 application with your HOPE VI application.

(3) If you have previously received Section 8 assistance to relocate residents from the targeted severely distressed units, you may still apply for a HOPE VI Revitalization grant to physically replace those same units or a HOPE VI Demolition grant to demolish the units without replacement.

(4) You may request Section 8 assistance to provide either temporary or permanent relocation to families during the demolition, rehabilitation, or

construction of the severely distressed project.

(5) You may request Section 8 assistance for all units covered under a HOPE VI Revitalization or Demolition application that will not be replaced with hard units.

(D) *Technical Assistance.* The FY 2000 appropriation for HOPE VI allocated \$10 million to provide Technical Assistance in the planning, development, and implementation of the HOPE VI program. Those funds will be administered by the Office of Public Housing Investments.

(E) *Urban Institute Study.* The FY 2000 HOPE VI appropriation allocated \$1.2 million to the Urban Institute to conduct an independent study on the long-term effects of the HOPE VI program on former residents of distressed public housing developments. HUD will execute a contract for this study with the Urban Institute in a separate action.

III. Program Description; Eligible Applicants; Eligible Activities

(A) *Program Description.* The HOPE VI Program through its revitalization funding component assists PHAs in improving the living environment for public housing residents of severely distressed public housing projects through the demolition, rehabilitation, reconfiguration, or replacement of obsolete public housing projects (or portions thereof), in revitalizing sites in which public housing sites are located, and providing housing that avoids or decreases the concentration of very low-income families. The demolition funding component of the HOPE VI Program enables PHAs to expedite the demolition of severely distressed public housing units.

(B) *Eligible Applicants.* In accordance with section 24(j) of the 1937 Act, the term "applicant" means:

(1) Any PHA that is not designated as "troubled" pursuant to section 6(j)(2) of the 1937 Act;

(2) Any PHA for which a private housing management agent has been selected, or a receiver has been appointed, pursuant to section 6(j)(3) of the 1937 Act; and

(3) Any PHA that is designated as "troubled" pursuant to section 6(j)(2) of the 1937 Act and that:

(a) Is designated as troubled principally for reasons that will not affect its capacity to carry out a revitalization program;

(b) Is making substantial progress toward eliminating the deficiencies of the agency that resulted in its troubled status; or

(c) Is otherwise determined by HUD to be capable of carrying out a revitalization program.

(C) *Eligible Activities.* (1) *Eligible Revitalization Activities.* HOPE VI Revitalization grants may be used for activities to carry out revitalization programs for severely distressed public housing in accordance with section 24(d) of the 1937 Act. The following is a list of activities that are eligible using HOPE VI Revitalization grant funds. Other activities may also be eligible at future dates as Congress may authorize. If HOPE VI Revitalization grant funds are used for any of the following activities, you must conduct them in accordance with the following program requirements.

(a) Demolition of buildings (dwelling units and nondwelling facilities), in whole or in part, including the abatement of environmentally hazardous materials such as asbestos. Section 24(g) of the 1937 Act provides that severely distressed public housing demolished pursuant to a Revitalization Plan is not subject to the provisions of section 18 of the 1937 Act or regulations at 24 CFR part 970. Instead, if you are selected to receive a HOPE VI Revitalization grant, HUD will use information in your HOPE VI Revitalization application to determine whether the proposed demolition can be approved. If you are not selected to receive a HOPE VI Revitalization grant, the information in your application will not be used to process a request for demolition. Please note that demolition is not a required element of a HOPE VI Revitalization application.

(b) Disposition of a severely distressed public housing site, by sale or lease, in whole or in part, in accordance with section 18 of the 1937 Act and implementing regulations at 24 CFR part 970. A long term lease of one year or more which is not incident to the normal operation of the development is considered a disposition.

(c) Rehabilitation, redesign, or reconfiguration of a severely distressed public housing project, including the site on which the project is located, in accordance with 24 CFR part 968 or successor part, as applicable.

(d) New construction of public housing replacement rental housing, both on-site and off-site, in accordance with 24 CFR part 941 or successor part, including mixed-finance development in accordance with subpart F.

(e) Appropriate replacement homeownership assistance for displaced public housing residents or other public housing-eligible low-income families. Consistent with the general programmatic requirements set forth in

24 CFR part 906 and subject to the 80 percent of Area Median Income (AMI) low-income family limitations under the 1937 Act, assistance may include:

- (i) Downpayment or closing cost assistance;
- (ii) Provision of second mortgages; and/or
- (iii) Construction or permanent financing for new construction, acquisition, or rehabilitation costs related to homeownership replacement units.
- (f) Acquisition of rental replacement units in existing or new apartment buildings, single family subdivisions, etc., with or without rehabilitation, in accordance with 24 CFR part 941 or successor part.
- (g) Public housing development through the acquisition of land in accordance with 24 CFR part 941 or successor part.
- (h) Major rehabilitation, other physical improvements, or new construction of community facilities primarily intended to facilitate the delivery of community and supportive services for residents of the targeted development and residents of off-site replacement housing.
- (i) Necessary management improvements, including transitional security activities.
- (j) Reasonable costs for administration, planning, technical assistance, and fees and costs which are deemed to be incremental costs of implementing the development as specifically approved by HUD, such as fees for architectural and engineering work, program management (if any), and reasonable legal fees. Please note that your project will be subject to HUD guidance and policies on soft costs when issued.
- (k) Community and supportive services, including all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing project involved, including literacy training, job training, day care, transportation, and economic development activities, as further described in Section IV(C)(2) of this HOPE VI section of the SuperNOFA, below.
- (l) Economic development activities that promote the economic self-sufficiency of residents under the revitalization program, including the costs of land acquisition for economic development-related activities (provided the PHA enters into a long-term ground lease to govern the development and use of such land is consistent with HUD requirements), and infrastructure and site improvements

associated with developing retail/commercial/office facilities. HOPE VI grant funds may not be used to pay hard development costs or to buy equipment for retail or commercial facilities.

(m) Leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the project that will benefit future residents of the site.

(n) Relocation, including reasonable moving expenses, for residents displaced as a result of the revitalization of the project.

(i) Relocation carried out as a result of rehabilitation under a Revitalization Plan is subject to the Uniform Relocation Assistance and Real Property Policies Act (42 U.S.C. 4601 *et seq.*; 49 CFR part 24) (URA) and regulations at 24 CFR 968.108 or successor part.

(ii) Relocation carried out as a result of acquisition under a Revitalization Plan is subject to the URA and regulations at 24 CFR 941.207 or successor part.

(iii) Relocation carried out as a result of disposition under a Revitalization Plan is subject to section 18 of the 1937 Act as amended.

(iv) Relocation carried out as a result of demolition under a Revitalization Plan is subject to the URA.

(o) Rental assistance under Section 8.

(2) *Eligible Demolition Activities.* The following is a list of specific activities that are eligible using HOPE VI Demolition grant funds. If HOPE VI Demolition grant funds are used for any of the following activities, you must conduct them in accordance with the following program requirements.

(a) Demolition of dwelling units in buildings, in whole or in part, including the abatement of environmentally hazardous materials such as asbestos, in accordance with section 18 of the 1937 Act as amended.

(b) Demolition of nondwelling facilities, if demolition is directly related to the demolition of dwelling units.

(c) Minimal site restoration after demolition and subsequent site improvements to benefit the remaining portion of the project in order to provide project accessibility or to make the site more marketable.

(d) Reasonable costs for administration, planning, technical assistance, and fees and costs which are deemed to be incremental costs of carrying out the demolition as specifically approved by HUD.

(e) Relocation and other assistance related to the permanent relocation of families.

(i) You may request up to \$3,000 for each family to be displaced by the demolition to carry out relocation activities. HUD recognizes that it is as important to provide relocating families with such services in demolition-only situations as to provide such services in connection with HOPE VI revitalization grants. You are encouraged to partner with other agencies, using alternative funding, for further assistance in achieving relocation objectives.

(ii) The goals of your relocation plan must include helping families to fully understand the choices open to them for alternative housing throughout the jurisdiction, to secure units in neighborhoods of their choice, to participate in programs that will lead to self-sufficiency, to acquire the skills to live in the selected community, and sustain their new living arrangement for the foreseeable future. Programs should be designed to smooth the transition from public to private rental housing, both for relocatees and for members of their new communities. The Office of Public Housing Investments is developing relocation guidance that will pertain to these relocation activities.

(iii) Services should include providing one-on-one move counseling, providing a reasonable time between notification and date to vacate units, and ensuring that Section 8 housing complies with the Section 8 requirements regarding lead-based paint and other hazardous materials. If necessary, HOPE VI funds may be used to modify Section 8 relocation units to make them accessible for residents with disabilities.

(iv) Relocation not pursuant to a HOPE VI Revitalization Plan that is carried out in conjunction with a Section 18 demolition application is subject to the requirements of the URA and section 18 of the 1937 Act.

(v) Relocation not pursuant to a HOPE VI Revitalization Plan that is carried out as a result of demolition in conjunction with a Mandatory Conversion Plan approved by HUD in accordance with 24 CFR part 971 is subject to the requirements of the URA.

(vi) Relocation as a result of demolition pursuant to a HOPE VI Revitalization Plan approved by HUD is subject to the URA.

IV. Program Requirements

(A) *HOPE VI Application Requirements.* In addition to the Fair Housing requirements provided in Section II(B) of the General Section of this SuperNOFA, your HOPE VI application must comply with the following program requirements:

(1) *Severe Distress.* The targeted public housing project or building in a project must be severely distressed. In accordance with section 24(j)(2) of the 1937 Act, the term "severely distressed public housing" means a public housing project (or building in a project) that:

(a) Requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems, and other deficiencies in the physical plant of the project;

(b) Is a significant contributing factor to the physical decline of and disinvestment by public and private entities in the surrounding neighborhood;

(c)(i) Is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance; or

(ii) Has high rates of vandalism and criminal activity (including drug-related criminal activity) in comparison to other housing in the area;

(d) Cannot be revitalized through assistance under other programs, such as the program for capital and operating assistance for public housing under the Act, or the programs under sections 9 and 14 of the 1937 Act (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998 (Pub. L. 105-276, approved October 21, 1998, referred to as the Public Housing Reform Act), because of cost constraints and inadequacy of available amounts; and

(e) In the case of individual buildings, is sufficiently separated from the remainder of the project of which the building is part to make use of the building feasible for revitalization; or

(f) That was a project described in paragraphs (a) through (e) above of this Section IV(A) that has been legally vacated or demolished, but for which HUD has not yet provided replacement housing assistance (other than tenant-based assistance).

(2) *Appropriateness.* In accordance with section 24(e)(1) of the 1937 Act, an application for any HOPE VI grant must demonstrate the appropriateness of the proposal in the context of the local housing market relative to other alternatives.

(3) *Litigation.* You may not have any litigation pending which would preclude timely startup of activities.

(4) *Desegregation Orders.* You must be in full compliance with any desegregation or other court order

related to Fair Housing (e.g., Title VI of the Civil Rights Act of 1964, the Fair Housing Act, and section 504 of the Rehabilitation Act of 1973) that affects your public housing program and that is in effect on the date of application submission.

(5) *Flood Insurance.* In accordance with the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128), your application may not propose to provide financial assistance for acquisition or construction (including rehabilitation) of properties located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

(a) The community in which the area is situated is participating in the National Flood Insurance program (see 44 CFR parts 59 through 79), or less than one year has passed since FEMA notification regarding such hazards; and

(b) Where the community is participating in the National Flood Insurance Program, flood insurance is obtained as a condition of execution of a Grant Agreement and approval of any subsequent demolition or disposition application.

(6) *Coastal Barrier Resources Act.* In accordance with the Coastal Barrier Resources Act (16 U.S.C. 3501), your application may not target properties in the Coastal Barrier Resources System.

(B) *HOPE VI Post-Award Requirements.* If you are selected for funding, in addition to the Fair Housing requirements provided in Sections II(C) and (D) of the **General Section** of this SuperNOFA, your HOPE VI program must comply with the following requirements:

(1) *Internet Access.* Grantees must have access to the Internet and provide HUD with email addresses of key staff and contact people.

(2) *Program Income.* Grantees that expect to receive program-related income prior to grant closeout (e.g., from sale of homeownership replacement units or the disposition of improved land), must reflect this income in their HOPE VI budgets, use the program income before requesting additional cash payments from the HOPE VI grant, and use the program income for program purposes, in accordance with 24 CFR 85.25 and the HOPE VI Grant Agreement.

(3) *Labor Standards.* (a) *Revitalization Grants.* Davis-Bacon or HUD-determined wage rates apply to development or operation of revitalized housing to the extent required under section 12 of the 1937 Act. Davis-Bacon wage rates apply to demolition followed by construction on the site

(b) *Demolition Grants.* HUD-determined wage rates apply to demolition followed only by filling in the site and establishing a lawn.

(c) Under section 12 of the 1937 Act, wage rate requirements do not apply to individuals who:

(i) Perform services for which they volunteered;

(ii) Do not receive compensation for those services or are paid expenses, reasonable benefits, or a nominal fee for the services; and

(iii) Are not otherwise employed in the work involved (24 CFR part 70).

(d) If other Federal programs are used in connection with your HOPE VI activities, labor standards requirements apply to the extent required by the other Federal programs on portions of the project that are not subject to Davis-Bacon rates under the Act.

(4) *Section 3.* Grantees must comply with the requirements of section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Employment Opportunities for Lower Income Persons in Connection with Assisted Projects) and its implementing regulation at 24 CFR part 135, including the reporting requirements of subpart E. Section 3 requires that, to the greatest extent feasible, HOPE VI Grantees ensure that training, employment, and other economic opportunities will be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and business concerns which provide economic opportunities to low- and very low-income persons. More information about Section 3 can be found at the following HUD website—www.hud.gov/fhe/sec3over.html.

(5) *MBE/WBE.* Grantees must adopt the goal of awarding a specified percentage of the dollar value of the total of the HOPE VI contracts to be awarded during subsequent fiscal years to minority business enterprises and take appropriate affirmative action to assist resident-controlled and women's business enterprises, in accordance with the requirements of Executive Orders 11246, 11625, 12432, and 12138.

(6) *OMB Circulars and Administrative Requirements.* Grantees and their team members must comply with the following administrative requirements related to the expenditure of Federal funds. OMB Circulars can be found at www.whitehouse.gov/omb/grants/index.html#circulars. The Code of Federal Regulations can be found at www.access.gpo.gov/nara/cfr/index.html.

(a) Administrative requirements applicable to PHAs are:

(i) 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments), as modified by 24 CFR part 941 or successor part, subpart F, relating to the procurement of partners in mixed finance developments, except when inconsistent with the provisions of the FY 2000 HUD Appropriations Act or other applicable Federal statutes. Requests for Proposals (RFPs) and Requests for Qualifications (RFQs) must reflect pertinent language from the HOPE VI section of this SuperNOFA; e.g., seeking diversity, accessibility, fair housing requirements, etc.

(ii) OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments);

(iii) 24 CFR 85.26 (audit requirements).

(b) Administrative requirements applicable to non-profit organizations are:

(i) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations);

(ii) OMB Circular A-122 (Cost Principles for Non-Profit Organizations);

(iii) 24 CFR 84.26 (audit requirements).

(c) Administrative requirements applicable to for profit organizations are:

(i) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations);

(ii) 48 CFR part 31 (contract cost principles and procedures);

(iii) 24 CFR 84.26 (audit requirements).

(7) *Environmental Review.* (a) If you are selected for funding, the responsible entity, as defined in 24 CFR 58.2(a)(7), must assume the environmental review responsibilities for projects being funded by HOPE VI. If you object to the responsible entity conducting the environmental review, on the basis of performance, timing or compatibility of objectives, HUD will review the facts and determine who will perform the environmental review. At any time, HUD may reject the use of a responsible entity to conduct the environmental review in a particular case on the basis of performance, timing or compatibility of objectives, or in accordance with 24 CFR 58.77(d)(1). If a responsible entity objects to performing an environmental review, or if HUD determines that the responsible entity should not perform the environmental review, HUD may designate another responsible entity to conduct the review or may itself conduct the environmental review in

accordance with the provisions of 24 CFR part 50. After selection by HUD for Joint Review, you must provide any documentation to the responsible entity (or HUD, where applicable) that is needed to perform the environmental review.

(b) If you are selected for funding, you must have a Phase I environmental site assessment completed in accordance with the American Society for Testing and Material (ASTM) Standards E 1527-97, as amended, for each affected site. A Phase I assessment is required whether the environmental review is completed under 24 CFR part 50 or 24 CFR part 58. The results of the Phase I assessment must be included in the documents that must be provided to the responsible entity (or HUD) for the environmental review. If the Phase I assessment recognizes environmental concerns or if the results are inconclusive, a Phase II environmental site assessment will be required. You may not carry out activities with respect to the Development, or with respect to any off-site replacement public housing, until HUD has approved a request for release of funds or has completed an environmental review on each affected site, in accordance with either 24 CFR part 58 or 24 CFR part 50.

(c) If the environmental review is completed before HUD approval of the HOPE VI Revitalization Plan (RP) and you have submitted your Request for Release of Funds (RROF), the RP approval letter shall state any conditions, modifications, prohibitions, etc. as a result of the environmental review, including the need for any further environmental review. You must carry out any mitigating/remedial measures required by HUD, or select an alternate eligible property, if permitted by HUD. If the remediation plan is not approved by HUD and a fully-funded contract with a qualified contractor licensed to perform the required type of remediation is not executed, HUD reserves the right to determine that the grant is in default.

(d) If the environmental review is not completed and/or you have not submitted the RROF before HUD approval of the RP, the RP approval letter will instruct you to refrain from undertaking, or obligating or expending funds on, physical activities or other choice-limiting actions, until HUD approves your RROF and the related certification of the responsible entity (or HUD has completed the environmental review). The RP approval letter also will advise you that the approved RP may be modified on the basis of the results of the environmental review.

(e) In accordance with the Grant Agreement, the costs of environmental reviews and hazard remediation are eligible costs under the HOPE VI Program.

(8) *Lead-Based Paint Testing and Hazard Reduction.* All property assisted under a HOPE VI grant is covered by the Lead-Based Paint Poisoning Prevention Act (24 U.S.C. 4821 et seq. and regulations at 24 CFR part 35 and 24 CFR part 965, subpart H, as they may be amended from time to time, and 24 CFR 968.110(k) or successor part.

(C) *Revitalization Application Requirements.* Your HOPE VI Revitalization application must comply with the following requirements:

(1) *Public Meetings.* (a) *General Requirements.* (i) You must conduct at least one training session for residents on the HOPE VI development process and at least three public meetings with residents and the broader community to involve them in a meaningful way in the process of planning the revitalization and preparing the application.

(ii) At least two meetings must be held after the publication date of this HOPE VI NOFA, one of which must be held after the plan which will form the basis of the application is established, so that residents and the community are fully informed about the basics of the proposed Revitalization Plan.

(iii) As practical and applicable, the meetings should be conducted in English and the language(s) most appropriate for the community.

(iv) You must ensure that meeting places are accessible for persons with disabilities.

(b) *Issues to be Discussed.* You must cover all of the following issues during the course of the three public meetings:

(i) The HOPE VI planning and implementation process;

(ii) The proposed physical plan, including site and unit design;

(iii) The extent of proposed demolition;

(iv) Planned community and supportive services;

(v) Other proposed revitalization activities;

(vi) Relocation issues, including relocation planning, mobility counseling, and maintaining the HOPE VI community planning process during the demolition and reconstruction phases where temporary relocation is involved;

(vii) reoccupancy plans and policies, including site-based waiting lists; and (viii) Section 3 and employment opportunities to be created as a result of redevelopment activities.

(2) *Community and Supportive Services.* (a) *General.* Each HOPE VI

Revitalization application must propose community and supportive service (CSS) programs that are designed to help residents achieve self-sufficiency, upward mobility, economic independence with sustainable "living wage" jobs, educational achievement, and improved quality of life for the maximum number of public housing residents in the existing project and in the revitalized community. This section lists the requirements for CSS programs, the kinds of programs that should be included in your CSS plan, and the types of organizations that you should consider when developing your CSS team, creating partnerships, and developing resources to fund your CSS programs. You will refer to this section of the NOFA when describing your CSS Capacity and Experience (Rating Factor 1(2)), Quality of CSS Plan (Rating Factor 3(6)), and CSS Resources (Rating Factor 4(2)).

(b) *Subgrant Agreements.* (i) If you wish to form a formal partnership with a private nonprofit agency(ies) for the provision of specific CSS programs or activities, you may do so by entering into a subgrant agreement with the selected agency(ies).

(ii) While you are not required to undertake a competitive procurement under 24 CFR part 85 to select a subgrantee, HUD nevertheless requires your assurance that you have:

(A) evaluated alternative service providers for the specific services to be provided,

(B) selected the entity that you reasonably believe will most effectively provide such services, and

(C) ensured that the amount to be awarded under the subgrant agreement is consistent with the cost principles of OMB Circular A-87.

(iii) HUD encourages you to leverage your HOPE VI grant funds by selecting subgrantees that will provide, in addition to the agreed upon fee-for-service amount, in-kind services on a gratis basis (e.g., leased space at no cost, etc.).

(iv) The selected nonprofit subgrantee must comply with the requirements of 24 CFR part 84.

(v) You may not enter into a subgrant agreement with a for-profit entity or community and supportive services coordinator. Instead, you must conduct a competitive procurement for the services of such entities under 24 CFR part 85. However, if you can demonstrate that the services to be provided by the proposed for-profit entity or by the proposed community and supportive services coordinator can be obtained only from that source, you may request HUD approval to carry out

a non-competitive procurement under 24 CFR 85.36(d)(4).

(c) *Requirements of Community and Supportive Services Programs.* (i) Community and Supportive Services (CSS) program objectives must be results-oriented, with quantifiable goals and outcomes that can be used to measure progress, make changes in the program as necessary, and demonstrate the success of the program.

(ii) CSS activities must be developed in response to a rigorous resident needs identification process and directly respond to the identified needs.

(iii) CSS programs must be of an appropriate scale, type, and variety to meet the needs of all residents (including adults and children) of the severely distressed project, including residents remaining on-site, residents who will relocate permanently to other PHA units or Section 8 housing, residents who will relocate temporarily during the construction phase, and new residents of the revitalized units.

(iv) Non-public housing residents may also participate in CSS programs, as long as the primary users of the programs are residents as described in subparagraph (iii) above.

(v) Your plan must include procedures to track HOPE VI site residents who relocate to alternative housing to assure that everything possible is done to support them to become self-sufficient and live successfully in the alternative housing of their choice.

(vi) CSS programs such as life skills training must be designed to begin promptly after grant award so that residents who will be relocated have time to participate and benefit from such programs before leaving the site.

(vii) Resident training programs must begin promptly after grant award and Section 3 firms must be in place quickly so that residents are trained in time to take advantage of employment opportunities such as jobs and other contractual opportunities in the pre-development, demolition, and construction phases of the revitalization.

(viii) Modern computer technology must be integrated into the education program.

(ix) CSS activities must be coordinated with the efforts of other service providers in your locality, including non-profit organizations, educational institutions, and state and local programs.

(x) CSS activities must be consistent with state and local welfare reform requirements and goals. The social and learning environment must encourage and enable low-income residents to

achieve long-term self-sufficiency, particularly persons enrolled in welfare-to-work programs. To that end, it is crucial that local welfare agencies and workforce development agencies are active members of your HOPE VI partnership. Many HOPE VI residents are directly affected by Temporary Assistance to Needy Families (TANF), making these self-sufficiency efforts critical to their success.

(xi) CSS activities must be well integrated with the physical development process, both in terms of timing and the provision of facilities to house on-site service and educational programs.

(d) *CSS Programs and Activities* may include, but are not limited to:

(i) Education programs that promote learning and serve as the foundation for young people from infancy through high school graduation, helping them to succeed in academia and the professional world. Such programs, which include after school programs, mentoring, and tutoring, must be created with strong partnerships with public and private educational institutions.

(ii) Adult educational activities, including remedial education, literacy training, tutoring for completion of secondary or post-secondary education, assistance in the attainment of certificates of high school equivalency, and English as a Second Language courses, as needed.

(iii) Job readiness and retention programs which frequently are key to securing private sector commitments to the provision of jobs.

(iv) Employment training programs that include results-based job training, preparation, counseling, development, placement, and follow-up assistance after job placement.

(v) Life skills training on topics such as parenting, consumer education, and family budgeting, aided by the creation and operation of on-site credit unions.

(vi) Motivational and self-empowerment training.

(vii) Homeownership counseling that is designed so that services can begin promptly after grant award so that, to the maximum extent possible, qualified residents will be ready to purchase new homeownership units when they are completed.

(viii) Health care services.

(ix) Substance/alcohol abuse treatment and counseling.

(x) Domestic violence prevention.

(xi) Child care services which provide sufficient hours of operation for parents to achieve self-sufficiency goals; serve appropriate ages as needed to facilitate parental access to education and job

opportunities; and stimulate children to learn.

(xii) Transportation as necessary to enable all family members to participate in available CSS programs and/or to commute to their places of employment.

(xiii) Entrepreneurship training and mentoring, with the goal of establishing resident-owned businesses.

(e) *CSS Partnerships and Resources.* The following is a list of the kinds of organizations and agencies that can provide your CSS program with in-kind, financial, and other types of resources necessary to carry out and sustain your CSS program.

(i) Local Boards of Education, public libraries, local community colleges, institutions of higher learning, non-profit or for-profit educational institutions and public/private mentoring programs that will lead to new or improved educational facilities and improved educational achievement of young people in the revitalized development, from birth through higher education.

(ii) Programs that support HUD's Bridging the Digital Divide policy initiative, as described in Section VI(F) of the **General Section**, such as Neighborhood Networks Centers, which provide on-site access to computer and training resources. These Centers, originally designed for HUD-insured and HUD-assisted properties, have helped hundreds of residents improve computer technology skills which in turn has increased job and education opportunities. If you are awarded a HOPE VI Revitalization grant, you will be required to adapt the Neighborhood Networks Initiative to your HOPE VI project. HUD will make technical assistance available to each PHA where needed. More information on the requirements of the Neighborhood Network Center Program is available on the Neighborhood Networks website (www.hud.gov/nnw/nnwindex.html).

(iii) National corporations, local businesses, and other large institutions such as hospitals that can commit to provide entry-level jobs. Employers may agree to train residents or commit to hire residents after they complete jobs preparedness or training programs that are provided by you, other partners, or the employer itself. Such private sector and non-profit partners must be given the opportunity to participate in the development of your CSS programs to assure that they will result in adequate training to prospective employees.

(iv) Job development organizations which link private sector or non-profit employers with low-income prospective employees.

(v) Workforce Development Agencies.

(vi) Organizations that provide residents with job readiness and retention training and support.

(vii) Economic development agencies such as the Small Business Administration, which provide entrepreneurial training and small business development centers.

(viii) Where applicable, Empowerment Zone and Enterprise Community Boards.

(ix) Programs that integrate employment training, education, and counseling and where creative partnerships with local boards of education, state charter schools, TANF, foundations, and private funding sources have been or could be established, such as:

(A) Youthbuild (www.hud.gov:80/cpd/econdev/ythhome.html)

(B) Step-Up (www.hud.gov:80/progdesc/stepup.html)

(C) AmeriCorps (www.cns.gov/ameriCorps) See Section VI(B) of the **General Section** of this SuperNOFA for more information on AmeriCorps.

(x) Sources of capital such as foundations, banks, and charitable, fraternal, and business organizations.

(xi) TANF Agencies/welfare departments.

(xii) Non-profit organizations such as the Girl Scouts and the Urban League, both of which have Memoranda of Agreement (MOA) with HUD. Copies of MOAs can be found on the HOPE VI Home Page (www.hud.gov/pih/programs/ph/hope6/hope6.html).

(xiii) Civil rights organizations.

(xiv) Local area agencies on aging, if applicable.

(xv) Local agencies and organizations serving persons with disabilities.

(xvi) Faith-based organizations.

(xvii) Federal, state, and local crime prevention programs and policy efforts, such as:

(A) Local law enforcement agencies;

(B) Your local United States Attorney;

(C) HUD's "One Strike and You're Out" (www.hud.gov:80/progdesc/1strike.html);

(D) HUD's "Officer Next Door" initiative (www.hud.gov:80/ond/ond.html);

(E) The local the Department of Justice "Weed and Seed" Program task force (if the targeted project is located in a designated Weed and Seed area) (www.ojp.usdoj.gov/eows);

(F) HUD's "Operation Safe Home" Program; and

(G) HUD's Drug Elimination Programs.

(f) *Endowment Trust for Community and Supportive Services.* In accordance with Section 24(d)(2) of the 1937 Act, you may deposit up to 15 percent of the

HOPE VI grant amount (the maximum amount of the grant allowable for CSS programs) in an endowment trust to provide community and supportive services over such period of time as you determine. The amount you request will be provided to you by HUD in a lump sum. Funds must be invested in a wise and prudent manner, i.e., funds may be invested in deposits, certificates of deposit, and other types of securities that are deposited in an account insured by the United States of America. Endowment funds (together with any interest earned) may only be used for eligible and necessary CSS programs pursuant to Section III(C)(1)(k), above, of this HOPE VI section of the SuperNOFA. You may use amounts in an endowment trust in conjunction with other amounts donated or otherwise made available to the trust for similar purposes.

(D) *Revitalization Post-Award Requirements.* If you are selected for funding, your HOPE VI Revitalization program must comply with the following requirements:

(1) *Match.* (a) *Overall Match.* In accordance with section 24(c) of the 1937 Act, if you are selected for funding, you must supplement your HOPE VI Revitalization grant with funds from other sources equal to not less than 5 percent of the HOPE VI funds provided. You will make this certification by signing the HOPE VI Revitalization Applicant Certifications. The certification form is included in the HOPE VI Application Kit, and the text of the certifications is included as Appendix A to this HOPE VI section of the SuperNOFA, below.

(b) *Additional Community and Supportive Services Match.* In addition to supplemental amounts provided in accordance with subparagraph (a) above, if you are selected for funding and propose to use more than 5 percent of your HOPE VI grant for community and supportive services (you may use up to 15 percent of your grant for such services), you must certify that you will provide supplemental funds from sources other than HOPE VI in an amount equal to not less than 5 percent of the HOPE VI funds budgeted for community and supportive services. You will make this certification by signing the HOPE VI Revitalization Applicant Certifications. The certification form is included in the HOPE VI Application Kit, and the text of the certifications is included as Appendix A to this HOPE VI section of the SuperNOFA, below.

(c) *Matching Funds.* In accordance with section 24(c)(2) of the 1937 Act, in calculating the amount of supplemental

funds provided by a Grantee for purposes of subparagraphs (a) and (b) above, you may include amounts from other Federal sources, any State or local government sources, any private contributions, the value of any donated material or building, the value of any lease on a building, the value of the time and services contributed by volunteers, and the value of any other in-kind services or administrative costs provided. Other Federal sources may include funds provided by the MROP, Comprehensive Grant, CIAP, or Public Housing Capital Fund Programs or other HUD-provided public housing funds, including funds derived from program income.

(2) *Replacement Units.* (a) Rental units will be deemed to be public housing replacement units and qualify for operating subsidy only if:

(i) The units, when combined with any proposed homeownership replacement units, if any, do not exceed the total number of units demolished and/or disposed of at the targeted severely distressed project; and

(ii) The units are to be placed under Annual Contributions Contract and operated as public housing units.

(b) Homeownership units will be deemed replacement units only if they, when combined with ACC rental units, do not exceed the total number of units demolished and/or disposed of at the targeted severely distressed project and otherwise meet the requirements listed in Section III(C)(1)(e), above, of this HOPE VI section of the SuperNOFA.

(c) HOPE VI funds may not be used to develop market rate units or affordable housing units which do not qualify as public housing or homeownership replacement units, as described in subparagraphs (a) and (b) above.

(3) *Timeliness of Construction.* (a) If you are selected for funding, you must proceed within a reasonable timeframe, as indicated below. In determining reasonableness of such timeframe, HUD will take into consideration those delays caused by factors beyond your control.

(b) You must enter into a binding Development Agreement within 12 months from the date of HUD's approval of the Revitalization Plan (RP), as described in Section VIII(A)(4) of this HOPE VI section of the SuperNOFA, below. This time period may not exceed 18 months from the date the Grant Agreement is executed.

(c) You must complete construction within 48 months from the date of HUD's approval of the RP. This time period for completion may not exceed 54 months from the date the Grant Agreement is executed.

(d) In accordance with section 24(i) of the 1937 Act, if you do not proceed within a reasonable timeframe, as described in paragraphs (a) through (c) above, HUD shall withdraw any grant amounts that you have not obligated. HUD shall redistribute any withdrawn amounts to one or more other applicants eligible for HOPE VI assistance or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the Revitalization Plan of the original Grantee.

(4) *Building Standards.* (a) All activities that include construction, rehabilitation, lead-based paint removal, and related activities must meet or exceed local building codes.

(b) New construction must comply with the latest HUD-adopted Model Energy Code issued by the Council of American Building Officials. In addition, HUD encourages you to set higher standards for energy and water efficiency in HOPE VI new construction, which can achieve utility savings of 30 to 50 percent with minimal extra cost. Upon request, HUD will provide technical assistance and training in design and financing to assist your authority, architects, and contractors in improving resource efficiency.

(c) HUD encourages you to design programs that incorporate sustainable construction and demolition practices, such as the dismantling or "deconstruction" of public housing units, recycling demolition debris, and reusing salvage materials in new construction. For articles on the concept of deconstruction, go to the U.S. Forest Service website (www.fpl.fs.fed.us/query.asp) and enter deconstruction as the search term.

(d) Your new construction must comply with the accessibility standards of the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and the Architectural Barriers Act of 1968.

(e) HUD encourages you to use PATH technologies in the construction and delivery of replacement housing. PATH (Partnership for Advancing Technology in Housing) is a voluntary initiative that seeks to accelerate the creation and widespread use of advanced technologies to radically improve the quality, durability, environmental performance, energy efficiency, and affordability of our Nation's housing. Further information about PATH can be found in Section VI.(E) of the **General Section** of this SuperNOFA and on the PATH website (www.pathnet.org/about/about.html).

(f) There must not be any environmental factors such as sewer moratoriums that would preclude development in the requested locality.

(5) *Environmental Justice.* Executive Order 12898 requires that public housing may be developed only in environmentally sound and desirable locations that will avoid disproportionately high and adverse environmental effects on minority and low-income communities.

(E) *Demolition Application Requirements: Eligible Units.* Severely distressed public housing units to be demolished with HOPE VI Demolition grant funds must meet one of the following criteria:

(1) Units targeted in an approved or submitted Conversion Plan (i.e., a plan for removal of units from the public housing inventory in accordance with the requirements at 24 CFR 971.7(b)). Refer to Section VII(A)(1)(a) and (b), below, of this HOPE VI section of the SuperNOFA.

(2) Units targeted in an application for demolition which was developed in accordance with section 18 of the 1937 Act, as amended, and approved by HUD by the HOPE VI Demolition application deadline. Refer to Section VII(A)(1)(c), below, of this HOPE VI section of the SuperNOFA.

(3) Units that were targeted for demolition in a previously-approved HOPE VI Revitalization application, in accordance with Section VII(A)(1)(d), below, of this HOPE VI section of the SuperNOFA, where the use of additional demolition funds will not result in exceeding TDC.

(4) Units that are included in an FY 2000 HOPE VI Revitalization application, in accordance with Section VII(A)(1)(e), below, of this HOPE VI section of the SuperNOFA, where the use of additional demolition funds will not result in exceeding TDC.

(F) *Demolition Post-Award Requirements.* If you are selected for funding, your HOPE VI Demolition program must comply with the following requirements:

(1) *Timeliness of Demolition.* (a) If you are selected for funding, you must complete the proposed demolition within a reasonable timeframe, which is two years from the date of Grant Agreement execution. HUD will take into consideration delays caused by factors beyond your control when enforcing this requirement.

(b) In accordance with section 24(i) of the 1937 Act, if you do not proceed within a reasonable timeframe, in the determination of HUD, HUD shall withdraw any grant amounts that you have not obligated. HUD shall

redistribute any withdrawn amounts to one or more other applicants eligible for HOPE VI assistance or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the activities of the original Grantee.

(2) *Match.* In accordance with section 24(c)(3) of the 1937 Act, if assistance will be used only for demolition of public housing (without replacement), you are exempt from the match requirement.

V. Threshold Criteria

(A) *All HOPE VI Applications.* In addition to the Compliance with Fair Housing and Civil Rights Laws threshold requirement listed in Section II(B) of the General Section of this SuperNOFA, your HOPE VI application must meet the following HOPE VI Threshold Criteria to be considered for funding.

(1) *Eligible Applicant.* You must be an eligible PHA, as defined in Section III(B), above, of this HOPE VI section of the SuperNOFA. If HUD has designated your housing authority as troubled pursuant to section 6(j)(2) of the 1937 Act, HUD's Troubled Agency Recovery Centers will use documents and information available to it to determine whether you qualify as an eligible applicant under Section III(B) of this HOPE VI section of the SuperNOFA.

(2) *Severe Distress.* (a) The targeted public housing project, or buildings in a project, must be severely distressed.

(b) To meet the severe distress requirement, you must certify that the public housing project or building in a project targeted in your HOPE VI application meets the definition of severe distress provided in Section IV(A)(1) of this HOPE VI section of the SuperNOFA (in accordance with section 24(j)(2) of the 1937 Act). You will make this certification by signing the HOPE VI Revitalization Applicant Certifications. The Certifications are included in the HOPE VI Application Kit, and the text of the Certifications is included as Appendix A to this HOPE VI section of the SuperNOFA.

(c) A severely distressed project that has been legally vacated or demolished (but for which HUD has not yet provided replacement housing assistance, other than tenant-based assistance) must also satisfy the requirements of paragraph (b) above as to the condition of the site before vacation or demolition.

(3) *Appropriateness of Proposal.* In accordance with section 24(e)(2) of the 1937 Act, your application must demonstrate the appropriateness of your proposal in the context of the local

housing market relative to other alternatives. Examples of inappropriate proposals would be to build on or off-site replacement public housing in isolated or non-residential areas, or in a soft-rental market. Examples of how you can demonstrate appropriateness of your Revitalization proposal follow. However, HUD will carry out the actual determination on a case-by-case basis.

(a) Your application might demonstrate appropriateness of your proposal in terms of marketability if it proposes the maximum range of incomes and housing types (rental vs. homeownership, market rate vs. public housing, townhouse vs. detached house, etc.) possible given local conditions.

(b) Your application might demonstrate that the land is being used for the highest and best use, given market conditions and the social goals of your agency.

(c) Your application might demonstrate that there is a demand for the physical development you propose, including residential public, subsidized and market rate units, community facilities, and economic development and retail structures.

(B) Revitalization Threshold Criteria.

(1) *Physical Distress.* (a) Your application must include a certification that the project meets the definition of severe physical distress as defined in Section IV(A)(1)(a), above, of this HOPE VI section of the SuperNOFA. The certification must be signed by an engineer or architect licensed by their state licensing board. The engineer or architect must provide his or her license number and state of registration on the certification. The engineer or architect may not be an employee of the housing authority or the city. The certification must be signed on or before the application deadline date. If you have neglected to include this certification in your application, you will have an opportunity to submit the certification, but it must still be signed on or before the application deadline date. You may not submit a certification signed after the deadline date in order to cure this deficiency.

(b) A severely distressed project that has been legally vacated or demolished (but for which HUD has not yet provided replacement housing assistance, other than tenant-based assistance) must also satisfy the requirements of paragraph (a) above as to the condition of the site before vacation or demolition.

(2) *Separability.* In accordance with section 24(j)(2)(A)(v) of the 1937 Act, if you propose to target only individual buildings of a project for revitalization, you must demonstrate to HUD's

satisfaction that the severely distressed public housing is sufficiently separated from the remainder of the project of which the building is part to make use of the building feasible for revitalization. You must demonstrate that the site plan and building designs will provide defensible space for the occupants of the revitalized building(s) and that the properties which remain will not have a negative influence on the revitalized buildings(s), either physically or socially. Separations may include a road, berm, catch basin, or other recognized neighborhood distinction.

(3) *Public Meetings.* (a) You must conduct at least one training session and at least three public meetings in accordance with Section IV(C)(1), above, of this HOPE VI section of the SuperNOFA. To demonstrate that you have conducted the required public meetings, you must include the following evidence of each meeting in your application:

(i) The notices announcing the meetings. In addition to other means of notification, at least one notice for each meeting must be placed in a commercial newspaper or journal that serves both the public housing project and the broader community.

(ii) A copy of the first page of the meeting sign-in sheets for each meeting, and a certification of the number of signatures collected for each meeting.

(iii) A signed and notarized copy of the minutes which summarizes the discussion. Do not submit a transcript of the meeting. *Please note that all pages of the minutes will be counted toward your total page limit for attachments, as provided in Section IX(A)(2) of this HOPE VI section of the SuperNOFA.*

(b) Submission of the documentation required of the meetings is a curable item and is not rated. If you fail to properly document that you have conducted all of the required meetings, after being provided with the opportunity to correct any deficiencies in accordance with Section VI(B) of this HOPE VI section of the SuperNOFA, below, your application will not be eligible for funding. You may not conduct a required meeting after the application deadline date in order to cure a deficiency identified by HUD.

(C) *Demolition Threshold Criteria.* Each required element of a HOPE VI Demolition grant application is a threshold requirement. Your application will not be eligible for funding unless each requirement listed in Section IX(B) of this HOPE VI section of the SuperNOFA, below, is included in your application. HUD will give you the opportunity to submit any missing

information up to the application deadline date, as provided in Section VII(B) of this HOPE VI section of the SuperNOFA, below.

VI. Revitalization Application Selection Process

(A) *Revitalization Application Evaluation.* (1) HUD's selection process is designed to ensure that HOPE VI Revitalization grants are awarded to eligible PHAs with the most meritorious applications and serious need.

(2) In accordance with Section III(E)(4) of the **General Section** of this SuperNOFA, in the event that HUD commits an error that, when corrected, would result in the selection of an otherwise eligible applicant, HUD may select that application for funding when sufficient funds become available.

(3) Although Section III(B) of the **General Section** of this SuperNOFA states that only applications that meet all threshold requirements are eligible to be rated, HUD will rate all HOPE VI Revitalization applications submitted by Public Housing Authorities, regardless of whether the applicants are eventually deemed to be eligible applicants in accordance with Section III(B), above, of this HOPE VI section of the SuperNOFA or whether the applications meet the threshold requirements of Sections V(A) and (B) of this HOPE VI section of the SuperNOFA. This will be done:

(a) To provide applicants with the most complete evaluations of their applications as possible;

(b) To provide applicants with technical assistance for any future applications; and

(c) Because HUD will conduct eligibility review, threshold review, completeness review, and rating concurrently, and determinations of threshold eligibility are often not finalized before rating begins.

Regardless of score, however, HUD will not select an application for funding that is submitted by an ineligible applicant or that does not meet all of the threshold requirements of Sections V(A) and (B) above.

(B) *Threshold and Completeness Review.* HUD will screen each application to determine if it is complete and meets the threshold criteria in Sections V(A) and (B), above. In accordance with Section V of the **General Section** of this SuperNOFA, after the application deadline HUD may not consider any unsolicited information that you may want to provide. However, after your application has been screened, HUD may contact you to clarify an item in your application or to give you an opportunity to correct a technical

deficiency. HUD may not seek clarification of items or responses that improve the substantive quality of your response to any rating factor. Examples of curable technical deficiencies include your failure to include a required certification or a missing signature. If HUD identifies a technical deficiency, it will notify you by fax of the clarification or deficiency. You must submit information to cure the deficiency to HUD within 14 calendar days from the date of HUD notification. If the deficiency is not corrected within this time period, HUD will reject your application as incomplete, and it will not be eligible for funding. Note, however, that in accordance with Section VI(A)(3), above, of this HOPE VI section of the SuperNOFA, HUD has committed to rate each application, regardless of its eligibility.

(C) *Preliminary Rating and Ranking.*

(1) *Rating.* HUD will preliminarily review and rate each eligible application on the basis of the rating factors described in Section VI(F) of this HOPE VI section of the SuperNOFA, below, and assign a score to each application.

(2) *Ranking.* After preliminary review, applications will be ranked in score order. Applications will be deemed "competitive" if they have a preliminary score above a base score that encompasses all applications that represent approximately twice the amount of funds available.

(D) *Final Panel Review.* A Final Review Panel will:

(1) Assess each competitive application;

(2) Assign the final scores; and

(3) Recommend for funding the most highly-rated eligible applications up to the amount of available funding.

(4) HUD reserves the right to make adjustments to funding in accordance with Section III(E) of the **General Section** of this SuperNOFA.

(5) In accordance with the FY 2000 HOPE VI appropriation (Title II of Pub. Law 106-74, 113 Stat. 1047, approved October 20, 1999), HUD may not grant competitive advantage to applications that propose to use HOPE VI grant funds to undertake HOPE VI activities in order to settle litigation or pay judgments.

(E) *Tie Scores.* If two or more applications have the same score and there are insufficient funds to select all of them, HUD will select for funding the application(s) with the highest score for Rating Factor 3, Soundness of Approach. If a tie still remains, HUD will select for funding the application(s) with the highest score for the Rating Factor 2, Need. HUD will select further tied applications on the basis of their scores in Capacity, Leveraging

Resources, and Comprehensiveness and Coordination rating factors, in that order.

(F) *Revitalization Application Rating Factors.* The following are the factors HUD will use to rate and rank your HOPE VI Revitalization application and the maximum points for each factor. The maximum number of points for each Revitalization application is 102, which includes two Empowerment Zone/Enterprise Community (EZ/EC) bonus points, as described in Section III(C)(1) of the **General Section** of this SuperNOFA.

Rating Factor 1: Capacity (20 Points)

This factor measures the capability and record of your team to manage large-scale redevelopment or modernization projects, manage effective community and supportive service programs, manage private and/or public housing, and obligate funds in a timely manner.

The term "your team," unless otherwise specified, includes the HOPE VI Coordinator and PHA staff; alternative entity(ies) you choose to serve as your representatives(s) to manage the physical redevelopment, administer community and supportive services and management improvements, and manage the property after completion; developers; program managers; property managers; subcontractors; consultants; and any other public and private entities identified and/or proposed to carry out program activities. HUD will also evaluate the diversity of your team and program participants.

For each aspect of the revitalization effort (physical redevelopment, community and supportive services, and property management), HUD will evaluate the extent to which you have (or will have) the capacity to carry out the work yourself and/or select and manage outside entities. HUD will award the most points to applications that demonstrate the highest degree of capacity to implement activities in a timely manner upon grant award, whether the capacity is within the PHA or by members of team with overall management by the PHA.

HUD does not require you to select a developer and/or program manager, if any, prior to submission of your application, although you may choose to do so. Rather, HUD will evaluate your current capacity to implement a large scale revitalization; or your ability to identify needs in your current staffing and fill such gaps internally or externally in order to successfully

implement your proposed program; and/or your proposed method and criteria for securing a program manager and/or development partner to implement your plan; and your current or planned capacity to manage such entity(ies). If you are selected for funding, HUD may require you to use an outside entity as directed by HUD to carry out the revitalization activities.

(1) *Revitalization Capacity and Experience: 7 Points.* (a) You will receive 5 to 7 points if:

(i) You and/or the outside development team you have procured, or expect to procure, demonstrate, using specific data or other documentation, where applicable, extensive knowledge and recent, successful experience and capacity in planning, implementing, and managing previous large scale revitalization activities, including physical development, financing, leveraging, and partnership activities. Revitalization activities carried out by this team were completed on-schedule and within budget, and you do not have any outstanding capital program audit findings.

(ii) If you have not yet procured an entity to develop the proposed plan, you have a feasible plan for securing such an entity and your description of what you will include in the Request For Proposal (RFP) or Request for Qualifications (RFQ), as appropriate, to secure such services is well articulated and will result in the selection of a highly capable entity.

(iii) If you were awarded a HOPE VI grant(s) previously, you have demonstrated that the progress of activities is on schedule and you have the capacity to manage an additional HOPE VI revitalization project. HUD will evaluate the current status of development, and your explanation of any delays in implementation of your HOPE VI grant(s), including planning or construction delays. HUD will use information on file to verify any information you provide regarding current HOPE VI grant status.

(iv) You have demonstrated that implementation of your plan can begin immediately after grant award.

(b) You will receive 1 to 4 points if you describe and demonstrate that your method and criteria for selecting a team is good, your current HOPE VI activity is mostly on schedule, and you have the ability to begin implementing your plan with minor adjustments and additional planning after grant award.

(c) You will receive 0 points if you cannot describe and demonstrate that you can procure a qualified team, your current HOPE VI grant is behind schedule, and you do not demonstrate

your ability to implement your plan quickly upon grant award, or there is inadequate information in your application to rate this factor.

(2) *Community and Supportive Services Capacity and Experience: 5 Points.*

(a) You will receive 4 to 5 points if you demonstrate, using specific data or other documentation, where applicable, that:

(i) Your team has recent, successful experience in planning, implementing, and managing the types of community and supportive service (CSS) programs proposed in your application;

(ii) PHA staff has the qualifications and experience to manage and coordinate activities of other staff and partners;

(iii) You have strong relationships and commitments with a wide variety of partners, including TANF and Workforce Development Agencies, that have excellent experience providing the kinds of services proposed.

(b) You will receive 2 to 3 points if you demonstrate and document limited experience and capacity in the above elements (paragraphs (a)(i) through (a)(iii) above).

(c) You will receive 1 point if you demonstrate minimal experience and capacity in the above elements (paragraphs (a)(i) through (a)(iii) above).

(d) You will receive 0 points if you demonstrate no experience or capacity in the above elements or if there is inadequate information in the application to score this factor.

(3) *Property Management Capacity and Experience: 4 Points.* Property management activities may be the responsibility of the PHA, or an entity that is part of the development team. You may also procure a separate entity to carry out property management activities.

(a) You will receive 3 to 4 points if you demonstrate that you and/or your property management entity currently have excellent knowledge and recent, successful experience in property management of market rate, affordable, and/or public housing. If you will procure outside property management expertise, you have demonstrated outstanding capacity to secure an entity with excellent experience by thoroughly describing the qualifications you will include in the RFP to procure such services. HUD will evaluate your team's current property management experience, or your capacity to procure an entity with excellent experience with regard to each of the following elements:

- (i) Property maintenance
- (ii) Rent collection

- (iii) MTCS reporting
- (iv) Site-based management experience
- (v) Tenant grievances
- (vi) Evictions
- (vii) Occupancy rate
- (viii) Unit turnaround
- (ix) Preventive maintenance
- (x) Work order completion
- (xi) Project-based budgeting

(b) You will receive 1 to 2 points if you demonstrate that you or your management entity currently have moderate management capacity with respect to the above elements. If you will seek outside property management expertise, the qualifications you describe in the RFP to procure such services are likely to result in the procurement of an entity with moderate management capacity with respect to the above elements.

(c) You will receive 0 points if you demonstrate that you or your management entity currently has little management capacity with respect to the above elements, or the qualifications you describe to procure a management team are unlikely to result in the procurement of an entity with moderate management capacity with respect to the above elements, or if there is inadequate information in your application to score this factor.

(4) *Diversity: 1 Point.* You will receive 1 point if you clearly articulate an achievable plan for including minority(ies), women, and/or individuals with disabilities in the overall planning, development, and management team that will be involved in the HOPE VI revitalization effort. HUD encourages cost-effective joint ventures to provide opportunities for such diverse firms, individuals, and/or employees.

(5) *Obligation of Modernization Funds: 3 Points.* HUD will evaluate the extent to which you have obligated modernization amounts in a timely manner.

(a) You will receive 3 points if you have obligated at least 90 percent of your FY 1998 and prior year Modernization (e.g., Comprehensive Improvement Assistance Program or Comprehensive Grant Program) amounts by the quarter ending before the HOPE VI Revitalization application deadline date. HUD will use the LOCCS disbursement system as of the quarter ending before the application deadline date to verify your obligation rate.

(b) You will receive 2 points if you have obligated between 70 and 89 percent of your Modernization funds.

(c) You will receive 1 point if you have obligated between 50 and 69 percent of your Modernization funds.

(d) You will receive 0 points if you have obligated less than 50 percent of your Modernization funds or if there is inadequate information in the application to rate this factor.

Rating Factor 2: Need (20 Points)

This factor addresses the extent of the need for the revitalization program; the potential impact of the proposed revitalization on the surrounding neighborhood, the need for funding under the HOPE VI program, the identification of need in the community, and the need for affordable housing in the community.

(1) Need for Revitalization: 7 Points.

All applicants must certify that the public housing targeted for revitalization is severely distressed, in accordance with Section V(A)(2) of this HOPE VI section of the SuperNOFA, above. For this rating factor, HUD will evaluate the extent of the severe distress of the targeted units and the urgency of addressing the severe distress. HUD will evaluate your description and documentation of the severity of the physical distress in terms of the deficiencies listed below. If the targeted units have already been demolished, HUD will evaluate your description of the condition of the site before demolition.

(a) You will receive 7 points if you demonstrate that the extent of the distress and the need for revitalization satisfies all 4 of the following criteria:

(i) There are major structural and system deficiencies in its infrastructure, roofs, electrical, plumbing, and mechanical systems, lead based paint, settlement, and other deficiencies in Housing Quality Standards;

(ii) There are major site deficiencies, including poor soil conditions, inadequate drainage, deteriorated laterals and sewers, and inappropriate topography;

(iii) There are design deficiencies, including inappropriately high population density, room, and/or unit size and configurations; isolation; indefensible space; inaccessibility for persons with disabilities with regard to individual units, entrance ways, and/or common areas;

(iv) There are environmental conditions that make the site or a portion of the site and its housing structures unsuitable for residential use.

(b) You will receive 5 to 6 points if you demonstrate that the extent of the distress and the need for revitalization satisfies 3 of the 4 above criteria.

(c) You will receive 0 points if you demonstrate that the extent of the distress and the need for revitalization satisfies less than 3 of the above criteria.

(2) Impact on Neighborhood: 6 Points.

HUD will evaluate the extent to which the severely distressed public housing negatively impacts the surrounding neighborhood and how revitalization through HOPE VI, including retail, office, and other economic development, as appropriate, will enhance the neighborhood in which the project is located and enhance economic opportunities for residents. In making this determination, HUD will evaluate your narrative, crime statistics, photographs or renderings, socio-economic data, trends in property values, evidence of property deterioration and abandonment, evidence of underutilization of surrounding properties, and other indications of neighborhood distress and/or disinvestment that you provide in your application to demonstrate your case.

(a) You will receive 5 to 6 points if you can demonstrate that revitalization of the severely distressed project with HOPE VI funds will greatly improve the surrounding neighborhood and community.

(b) You will receive 3 to 4 points if you can demonstrate that revitalization of the severely distressed project with HOPE VI funds will greatly improve the overall health of the surrounding neighborhood and community, i.e., the proposed revitalization has only limited likelihood of spurring significant neighborhood revitalization activities or preventing decline.

(c) You will receive 1 to 2 points if you can demonstrate that revitalization of the severely distressed project will have a minor impact on the surrounding neighborhood and community.

(d) You will receive 0 points if, based on the data submitted, HUD determines that the proposed project and/or the surrounding neighborhood is so severely deteriorated that even if the public housing site is revitalized, it will neither stop the decline nor have any impact on the surrounding neighborhood and community. You will also receive 0 points if there is not enough information in your application to rate this factor.

(3) Need for Funding: 3 Points. HUD will evaluate the extent to which you could undertake the proposed revitalization activities without a HOPE VI grant. HUD will use data from the latest quarterly obligation report available at the time of the application deadline date to confirm the amount of unobligated FY 1998 and prior year Modernization funds currently available that could be used to carry out the proposed revitalization activities.

(a) You will receive 3 points if the unobligated balance of your FY 1998 and prior year Modernization funds is up to 25 percent of the amount of HOPE VI funds requested.

(b) You will receive 2 points if your unobligated balance is 26–50 percent of the amount of HOPE VI funds requested.

(c) You will receive 1 point if your unobligated balance is 51–75 percent of the amount of HOPE VI funds requested.

(d) You will receive 0 points if your unobligated balance is 76 to 100 percent or greater than the amount of HOPE VI funds requested or if there is inadequate information to rate this factor.

(4) Identification of Need by the Community: 2 Points

This factor addresses whether the need for the revitalization of severely distressed public housing is identified in your jurisdiction's Consolidated Plan, and whether severely distressed public housing is identified as an impediment to fair housing choice in your jurisdiction's Analysis of Impediments to Fair Housing Choice (AI). Information on the Consolidated Plan can be found on the HUD Home Page (www.hud.gov/cpd/conplan.html).

(a) You will receive 2 points if: (i) You cite language from your community's Consolidated Plan that identifies revitalization of severely distressed public housing as an urgent need in the community, and you cite language from your community's AI that identifies severely distressed public housing as an impediment to fair housing choice; or

(ii) If the Consolidated Plan/AI are applicable to your jurisdiction but they do not identify severely distressed public housing as an urgent need or an impediment to fair housing choice, you have explained in detail why severe distress of public housing is not identified, described your efforts to alert the jurisdiction to the need for revitalization, and worked with the jurisdiction to amend the Consolidated Plan and AI to include revitalization of severely distressed public housing as an urgent need; or

(iii) If the Consolidated Plan/AI are not applicable to your jurisdiction, you have used other sound and reliable data sources to show that the community has identified the need for revitalization of severely distressed public housing and the urgency in meeting the need. Types of other sources include, but are not limited to, census reports, continuum of care gaps analysis, law enforcement agency crime reports, and your PHA Five-Year and Annual Plan.

(b) You will receive 1 point if your community's Consolidated Plan/AI does not identify the revitalization of severely distressed public housing or

identify the severely distressed public housing as an impediment to fair housing choice, and you have not provided a strong explanation of why they are not included. If the Consolidated Plan/AI are not applicable to your community, you have not thoroughly documented your level and urgency of need through other sound and reliable sources.

(c) You will receive 0 points if you have not made any efforts to include severely distressed public housing in the Consolidated Plan or AI. If the Consolidated Plan/AI are not applicable to your community, you have not documented your level and urgency of need through other data sources. Or, there is not enough information in your application to rate this factor.

(5) *Need for Affordable Housing in the Community: 2 Points.* HUD will evaluate the extent to which you have demonstrated that there is a need for affordable housing in the community, and there is an inadequate supply of other affordable housing available to accommodate families receiving tenant-based assistance under Section 8.

(a) You will receive 2 points if you have:

(i) Documented the need for affordable housing in the community with statistics and analyses contained in a data source(s) that is sound and reliable, including information on market rental costs as compared to Section 8 fair market rents (FMRs); and

(ii) Provided a thorough analysis that demonstrates that the supply of other affordable housing is inadequate to accommodate families that would be displaced if the targeted severely distressed project was demolished and not replaced. Your analysis must be documented by a comparison of the number of Section 8-eligible rental apartment listings in a newspaper of general circulation in the community over the most recent complete month prior to the HOPE VI application deadline date compared to the number of units needed if the site were to be demolished and residents relocated within the community.

(b) You will receive 1 point if your analysis is less than thorough but nevertheless demonstrates a general need for affordable housing in the community.

(c) You will receive 0 points if your analysis fails to show a need for affordable housing in the community or you do not provide enough information to rate this factor.

Rating Factor 3: Soundness of Approach (40 Points)

This rating factor evaluates the quality of the main components of your plan to revitalize severely distressed public housing. It includes the quality of design, feasibility of activities, your efforts to lessen concentration, and your relocation plan. It also evaluates your community and supportive services plan, your efforts to reach out to residents and members of the community, proposed management principles and policies, and your plans to evaluate your program. HUD will also evaluate your efforts to affirmatively further fair housing.

(1) *Overall Quality of Plan: 5 Points.*

HUD will evaluate your entire application to rate this factor.

(a) You will receive 4 to 5 points if you demonstrate that all aspects of your plan, including your physical, social, and economic approach, are the most appropriate possible given your local conditions, constraints, and opportunities, i.e. your application demonstrates no flaws in each of the following elements:

- (i) Design and planning;
- (ii) Cost effectiveness of proposed revitalization activities;
- (iii) Appropriateness in the context of the broader community;
- (iv) Integration of housing and non-housing aspects of your strategy;
- (v) Appropriateness in the context of local housing markets;
- (vi) The likelihood that a HOPE VI grant will result in a revitalized site that will enhance the neighborhood in which the project is located and enhance economic opportunities for residents.

(b) You will receive 3 points if your plan has flaws in one of the above elements.

(c) You will receive 0 points if your plan has flaws in more than one of the above elements, or there is insufficient information in the application to rate this factor.

(2) *Design: 3 Points.* HUD is seeking excellence in design. We urge you to carefully select your architects and/or planners and to enlist local affiliates of national architectural and planning organizations and/or the department of architecture at a local college or university to assist you in assessing qualifications of design professionals and/or participating on a selection panel that will result in the procurement of excellent design services.

Your proposed site plan, new units, and other buildings must be designed to blend into and enrich the surrounding neighborhood and promote mixed-

income, mixed-use communities. Local architecture and design elements and amenities should be incorporated into the new or rehabilitated homes so that the revitalized sites and structures will blend into the broader community and appeal to the market segments for which they are intended. Housing, community facilities, and economic development space must be well integrated. You must select a design team that has the ability to produce such design and/or demonstrate that you have the capacity to secure such a team.

HUD encourages you to propose enhancements to the natural environment such as tree and shrub planting to address natural resource issues such as erosion, stormwater management, and water quality that will result in physical improvements to the site; convert public open space now devoid of green vegetation to a natural, inviting, and more livable environment; and plan for the sustainability of such resources after the revitalization activities are completed. Through an MOU between the Department of Agriculture and HUD, technical assistance to develop a natural resource stewardship program is available to public housing authorities. See the **General Section** of the SuperNOFA for more information on Urban Forestry. Further information can be found on the Forest Service website (www.fs.fed.us/research/rvur/urban/urbanforestry/urbanforest.htm).

(a) You will receive 3 points if your proposed site plan, new units, and buildings demonstrate that:

(i) You have proposed a plan that incorporates design elements and amenities into the revitalized homes that will enable them to blend into and enrich the neighborhood and appeal to intended market segments;

(ii) Your proposed housing, community facilities, and economic development space are thoroughly integrated into the community; and

(iii) Your plan proposes extensive and appropriate enhancements of the natural environment.

(b) You will receive 2 points if your proposed site plan, new units, and buildings demonstrate design that adequately addresses the elements above.

(c) You will receive 1 point if your proposed design addresses the above elements in only a perfunctory manner.

(d) You will receive 0 points if your proposed design does not address the above elements or there is inadequate information to rate this factor.

(3) *Feasibility of Plan: 5 Points.* In awarding points under this rating factor, HUD will consider the following:

(a) *Market.* You will receive 1 point if you demonstrate that there is a market for the revitalized and/or replacement units of the type, number, and size proposed.

(i) Your demonstration of the need for non-public housing units will be based on a preliminary market assessment letter prepared by an independent, third party, credentialed market resource firm or professional.

(ii) Your demonstration of the need for public housing units will be based on the number and percentage of existing families on site that are projected to return and the number of families on your public housing and Section 8 waiting list(s).

(b) *Hard Development Costs.* You will receive 1 point if: (i) Your projected hard development costs are realistic and developed through the use of technically competent methodologies, including cost estimating services;

(ii) Your cost estimates represent an economically viable preliminary plan for designing, planning and carrying out your proposed activities in accordance with local costs of labor, materials, and services; and

(iii) Your proposed hard costs are comparable to industry standards for the kind of construction to be performed in the proposed geographic area.

(c) *Soft costs.* You will receive 1 point if your projected soft costs (developer's fees, PHA administration costs, legal fees, program manager's fees, consultants' fees, etc.) are comparable to industry standards, justified, and you have demonstrated how you will control such costs. HUD is particularly concerned that soft costs be minimized and will review carefully the proposed soft cost structure. HUD will review your means of keeping soft costs at a minimum so that the maximum HOPE VI resources go into physical development and transforming the lives of the residents.

(d) *Coherence and Consistency.* You will receive up to 2 points if the information and strategies described in your application are coherent and internally consistent, particularly the data provided for types and numbers of units, budgets and other financial estimates, and other numerical information. It is critical that you carefully review all numbers for unit mix, costs, etc. to make sure that all numbers are consistent throughout the application. HUD will make this determination based on your entire application.

(4) *Lessen Concentration: 3 Points.* This factor addresses how the activities you propose are designed to lessen concentration of low-income

households, create opportunities for desegregation and accessibility, and offer viable housing choices to displaced residents. In awarding points under this rating factor, HUD will consider the following:

(a) *On-site housing.* You will receive 1 point if your proposed unit mix (i.e., rental vs. homeownership, public housing, market, and subsidized units) will significantly reduce the isolation and/or concentration of low-income residents and/or significantly achieve a mixed-income, well functioning community on the revitalized site.

(b) *Off-site housing.* You will receive 1 point if your plans for off-site housing will lessen concentration of low-income residents and create opportunities for desegregation by locating such housing in neighborhoods with low levels of poverty and/or concentrations of minorities. You are encouraged to maximize off-site hard units as replacement housing and to locate such units such that they do not cause an over-concentration of low-income housing. You do not have to identify the precise location of off-site units in your application to receive full points for this subfactor, but you must identify the types of neighborhoods where such housing will be planned and demonstrate the feasibility of such off-site development (i.e., land is available at a price which allows economic feasibility, community acceptance is likely, etc.).

(c) *Access to Services.* You will receive 1 point if, for both on-site and any off-site units, your overall plan will result in increased access to municipal services, jobs, mentoring opportunities, transportation, and educational facilities; i.e., the physical plan and self-sufficiency strategy are well integrated and strong linkages will be established with the appropriate Federal and state and local agencies, non-profits, and the private sector to achieve such access.

(5) *Relocation and Section 8: 5 Points.* In order to receive any points for this rating factor, you must propose to use Section 8 assistance as a means of temporary and/or permanent relocation of families currently living in the targeted units. To receive points, you must go beyond the requirements of the Uniform Relocation Act and propose a comprehensive, results-based plan in which residents are actively involved. In awarding points under this rating factor, HUD will consider the following:

(a) *Relocation Support.* You will receive up to 2 points if you thoroughly describe your team's plan and capacity to effectively implement the following elements of relocation support:

(i) Provide counseling to residents who choose Section 8 assistance that will help them to fully understand the full range of housing opportunities available to them in neighborhoods throughout the jurisdiction and to find housing in non-poverty areas.

(ii) Conduct programs designed to prepare residents for the transition to private rental housing, including one-on-one move counseling and life skills training, so that they may sustain their new living arrangement for the foreseeable future.

(iii) Ensure that Section 8 housing complies with the Section 8 requirements regarding lead-based paint and other hazardous materials.

(iv) If necessary, propose to use HOPE VI or other funds to modify Section 8 relocation units to make them accessible for residents with disabilities.

(b) *Community Outreach.* You will receive 1 point if you thoroughly describe your plan and your team's capacity to effectively involve faith-based, non-profit and/or other institutions, organizations, and/or individuals in the community to which relocatees choose to move, in order to ease the transition and minimize the impact on the neighborhood. HUD will view favorably innovative programs such as community mentors, support groups, and the like.

(c) *Self-sufficiency.* You will receive 1 point if you thoroughly describe your team's plan and capacity to provide effective, results-based community and supportive service program support to Section 8 relocatees to achieve and maintain self-sufficiency.

(d) *Tracking.* You will receive 1 point if you thoroughly describe your team's plan and capacity to develop an effective tracking system that will enable you (and/or your CSS partners) to identify and track relocatees from the site to be revitalized and make regular follow-up services available to families receiving Section 8 assistance.

(6) *Community and Supportive Services: 5 Points.* This factor evaluates the quality of your proposed CSS plan. It is important that you review Section IV(C)(2)(c) of this HOPE VI section of the SuperNOFA, above, for a detailed description of the requirements of a CSS program, and Section IV(C)(2)(d) for a list of possible CSS programs and activities. You are encouraged to go beyond these lists and create CSS programs that break new ground by responding to unique needs in your community and which may serve as national models for self-sufficiency and educational achievement.

(a) You will receive 4 to 5 points if:
(i) You propose a high-quality, results-

oriented plan that includes strong components of the basic elements of education, job training, and services that will enable all affected residents to transform their lives;

(ii) The plan is well coordinated with strong, experienced service providers;

(iii) The plan was developed using an effective needs assessment; and

(iv) Mechanisms are in place to effectively measure the goals of the program and evaluate success.

(b) You will receive 2 to 3 points if your plan has a flaw in one of the elements listed in paragraphs (i) through (iv) above.

(c) You will receive 1 point if your plan has a flaw in more than one of the elements listed above.

(d) You will receive 0 points if you merely repeat information from the NOFA or if there is inadequate information to rate this factor.

(7) *Resident and Community Outreach and Involvement: 4 Points.* In addition to the Threshold requirement for public meetings provided in Section V(B)(3) of this HOPE VI section of the SuperNOFA, above, this rating subfactor evaluates the extent of involvement of residents and the broader community in the development and proposed implementation of your revitalization program. HUD will evaluate the nature, extent, and quality of the resident and community outreach and involvement you have achieved by the time your application is submitted, as well as your plans for continued and/or additional outreach and involvement. HUD will evaluate your efforts to include affected residents and members of the surrounding community in the planning, implementing, and management of your proposed revitalization activities. In awarding points under this factor, HUD will consider the following:

(a) *Collaboration and Inclusiveness.* You will receive 1 point if you demonstrate that you have communicated regularly and significantly with affected residents and members of the surrounding community about your application that and you have:

(i) Provided affected residents with substantive opportunities to participate in the development of your HOPE VI plan;

(ii) Included all other interested parties, especially members of the surrounding community, in the development of your plans and application; and

(iii) Developed specific plans for continued involvement and participation of residents and the broader community in the planning and

implementation of revitalization activities if your application is successful.

(b) *Logistics.* You will receive 1 point if you demonstrate that you have:

(i) Scheduled informational and planning meetings with affected residents and other interested parties during the development of your application at frequent and convenient times, meeting at least the requirements of Section IV(C)(1) of this HOPE VI section of the SuperNOFA, above;

(ii) Announced meetings (consistent with Section IV(C)(1), above) in ways that are designed to generate the most participation. Methods of announcing upcoming meetings include, but are not limited to:

(A) Publishing notices of meetings in newspapers of local distribution;

(B) Hand distributing flyers to residences and locations likely to attract notice;

(C) Posting meeting information in adequate time to allow residents and other interested parties to plan to attend.

(iii) Provided day care and, where necessary, transportation to and from the meetings.

(c) *Communication.* You will receive 1 point if you demonstrate that you have communicated effectively with affected residents and members of the surrounding community by:

(i) Providing reasonable training and technical assistance on the HOPE VI development process and general principles of development to affected residents to enable them to participate meaningfully in the development of your application, and developing plans to provide further training and technical assistance if your application is successful;

(ii) Providing information to and receiving input from affected residents and other interested parties about your planned revitalization;

(iii) Incorporating input and recommendations of interested parties, especially affected residents, to the extent possible, into your application;

(iv) Generating support for your application among interested parties;

(v) Providing status reports on the development of your application to residents; and

(vi) Providing that appropriate HUD communications are made available to affected residents and the broader community (i.e., a copy of the NOFA; notification of any HUD video conferences regarding the NOFA; computer access to the HUD website, etc.

(d) *Dissent.* You will receive 1 point if you have acknowledged and

attempted to address any dissenting viewpoints among affected residents and other interested parties. If there has been no opposition to your plan you will automatically earn this point. You will not earn this point if you do not acknowledge that any such opposition has been raised and/or you do not make efforts to address such opposition.

Where there is resident or community opposition to the plan, HUD will evaluate your analysis of the reasons for and extent of the opposition, and your current and proposed plans for dealing with the opposition. *HUD will only consider letters of dissent that are received by HUD at least ten days before the HOPE VI application deadline date and which indicate that copies have been sent to you.*

(8) *Operation and Management Principles and Policies: 3 Points.* Revitalization activities using HOPE VI Revitalization grant funds must be for severely distressed public housing projects. Accordingly, certain proposed activities are subject to statutory requirements applicable to public housing projects under the 1937 Act, other statutes, and the Annual Contributions Contract (ACC). Within such restrictions, HUD seeks innovative solutions to the long-standing problems of severely distressed public housing projects. You may request, for the revitalized development, a waiver of HUD regulations (that are not statutory requirements) governing rents, income eligibility, or other areas of public housing management that will permit you to undertake measures that enhance the long-term viability of a development revitalized under this program.

(a) You will receive 3 points if you demonstrate your team's plan and capacity to carry out each of the following 10 elements listed in the "Self-Sufficiency and Economic Diversity" and "Safety and Security" categories below.

(b) You will receive 2 points if you demonstrate your team's plan and capacity to carry out 7 of the 10 elements, which must include the first three elements in the "Self-Sufficiency and Economic Diversity" category.

(c) You will receive 1 point if you demonstrate your team's plan and capacity to carry out 5 of the 10 elements.

(d) You will receive 0 points if you demonstrate your team's plan and capacity to carry out fewer than 5 elements, and the operation and management principles you propose to implement at the revitalization site are not likely to result in improved management, or there is insufficient

information in the application to rate this factor.

Self-Sufficiency and Economic Diversity. You must propose operation and management principles and policies to be applied to on-and/or off-site public housing and any on-site or adjacent assisted housing that will encourage residents to move in, move up, and move on. Such principles must:

1. Reward work and promote family stability by promoting positive incentives such as income disregards and ceiling rents;
2. Promote economically and demographically diverse living patterns, e.g., inclusion of persons of different races/ethnic groups, families with or without children, persons with disabilities and able-bodied persons, and the elderly, by:
 - Instituting a system of local preferences adopted in response to local housing needs and priorities, e.g., preferences for victims of domestic violence, residency preferences, disaster victims;
 - Aggressively pursuing affirmative marketing which attracts individuals with a broad spectrum of incomes and attracts all segments of the eligible population to the project on a nondiscriminatory basis; and
 - Reaching out to persons with disabilities;

3. Encourage self-sufficiency by including lease requirements that promote resident involvement in the tenants association, community service, self-sufficiency, and transition from public housing;

4. Complement self-sufficiency programs and result in a mix of residents in the revitalized development who have a range of incomes;

5. Create strong, stable, well-run communities by implementing site-based waiting lists for the redeveloped public housing and/or following project-based management principles.

Safety and Security. You must demonstrate that your proposed operation and management principles and policies will provide greater safety and security for residents and community by:

1. Instituting strict screening requirements such as credit checks, references, home visits, and criminal records checks;
2. Strictly enforcing lease and eviction provisions;
3. Enhancing on-going efforts to eliminate drugs and crime from neighborhoods through collaborative efforts with local law enforcement agencies, the local United States Attorney, and Federal, state, and local

crime prevention programs, and program policy efforts such as "One Strike and You're Out" (www.hud.gov:80/progdesc/1strike.html), the "Officer Next Door" initiative (www.hud.gov:80/ond/ond.html), the local the Department of Justice "Weed and Seed" Program task force if the targeted project is located in a designated Weed and Seed area (www.ojp.usdoj.gov/eows); HUD's "Operation Safe Home" Program, and/or HUD's Drug Elimination Programs;

4. Improving the safety and security of residents through the implementation of defensible space principles, anti-crime measures, and the installation of physical security systems such as surveillance equipment, control engineering systems, etc.;

5. Improving the safety of children by promoting the principles of Healthy Homes. Healthy Homes activities are described in Section VI(D) of the **General Section** of this SuperNOFA, the HOPE VI Application Kit, and on HUD's Healthy Homes website at www.hud.gov/hhchild.html.

(9) **Affirmatively Furthering Fair Housing: 5 Points.** You must affirmatively further fair housing through the physical design of the revitalized units, the location of new units, marketing of housing that will encourage diversity, and tenant selection and assignment strategies that promote fair housing choice. You are strongly encouraged to work with local advocacy groups which represent individuals with disabilities, the elderly, and other special needs populations to further these goals.

Definitions of accessibility and adaptability can be found at 24 CFR 8.3. This section can be found at www.access.gpo.gov/nara/cfr/cfr-retrieve.html. In awarding points under this rating factor, HUD will consider the following:

(a) **Accessibility: 2 points.** The design of your proposed site plan, non-residential structures and facilities, and the new construction and/or rehabilitation of housing must conform to the civil rights statutes and regulations required in Section II(B) of the **General Section** of this SuperNOFA. Information on accessibility can be found on HUD's Fair Housing Home Page (www.hud.gov/fairhsg1.html). Over and above the accessibility requirements:

(i) You will receive 2 points if you propose to implement all of the following suggested accessibility priorities:

(A) Make at least 5 percent of for-sale units accessible to individuals with mobility disabilities and 2 percent of

for-sale units accessible to individuals who have visual or hearing disabilities;

(B) Provide one-bedroom accessible rental units for single individuals with disabilities so that they can live in the revitalized community;

(C) Provide for accessibility modifications, where necessary, to Section 8 units of residents who relocate from the targeted project due to revitalization activities;

(D) Where playgrounds are planned, propose ways to make them accessible to children with disabilities, over and above statutory and regulatory requirements;

(E) Where possible, design units with accessible front entrances.

(ii) You will receive 1 point if you do not propose to implement all of the accessibility priorities above but you provide a detailed description why you cannot implement one or more of the priorities;

(iii) You will receive 0 points if you do not propose to implement all of the accessibility priorities and you do not describe in detail why you cannot implement one or more of the priorities; or there is insufficient information in your application to rate this factor.

(b) **Adaptability.** You will receive 1 point if your physical plan meets the adaptability standards adopted by HUD at 24 CFR 8.3 that apply to those units not otherwise covered by the accessibility requirements. The elements of adaptability are included in the HOPE VI Application Kit Glossary.

(c) **Visitability.** You will receive 1 point if your physical plan meets the visitability standards adopted by HUD that apply to units not otherwise covered by the accessibility requirements. The elements of visitability are described in Section VI(C) of the **General Section** of this SuperNOFA and in the HOPE VI Application Kit Glossary.

(d) **Diversity.** You will receive 1 point if your program activities aid a broad range of eligible residents, including the elderly, persons with disabilities, etc. In addition, HUD will evaluate your efforts to increase community awareness of the need for and benefits from diversity, in a culturally sensitive manner through education and outreach, as applicable. Your marketing and outreach activities must be targeted to all segments of the population on a nondiscriminatory basis, promote housing choice and opportunity throughout your jurisdiction, and contribute to the deconcentration of minority and low-income neighborhoods.

HUD will evaluate your description of specific steps you will take to:

(i) Address the elimination of impediments to fair housing that were identified in your jurisdiction's Analysis of Impediments to Fair Housing Choice or in any examination of your own programs you may have carried out that identified impediments to fair housing choice within those programs;

(ii) Remedy discrimination in housing; or

(iii) Promote fair housing rights and fair housing choice.

(10) **Evaluation: 2 Points.** In order to earn points under this rating factor, you must propose to work with local university(ies) and/or other institutions of learning, foundations, and/or others to evaluate the performance and impact of your proposed HOPE VI revitalization. Where possible, HUD encourages you to form partnerships with Historically Black Colleges and Universities (HBCUs); Hispanic-Serving Institutions (HSIs); Community Outreach Partnership Centers (COPCs); the Alaskan Native/Native Hawaiian Institution Assisting Communities Program (as appropriate); and others in HUD's University Partnerships Program.

(a) **Documentation.** You will receive 1 point if you provide a support letter(s) to document the willingness of an institution(s) to participate, and its proposed approach to carry out the evaluation. The letter must address the following areas for evaluation:

(i) The impact of your HOPE VI effort on the lives of the residents;

(ii) The nature and extent of economic development generated in the community;

(iii) The effect of the revitalization effort on surrounding communities, including spillover revitalization activities, property values, etc.; and

(iv) Your success at integrating the physical and social aspects of your strategy and achieving the goals stated in your application.

(b) **Oversight.** You will receive 1 point if you:

(i) Provide a comprehensive description of your team's evaluation plan;

(ii) Demonstrate excellent capacity to be involved and/or support the evaluation; and

(iii) Indicate how the evaluation will be funded.

Rating Factor 4: Leveraging Resources (10 Points)

Match vs. Leverage. There is an important difference between the terms match and leverage. In accordance with Section IV(D)(1) of this HOPE VI section of the SuperNOFA, above, all HOPE VI Revitalization grant funds are subject to

a matching requirement. By signing the HOPE VI Revitalization Applicant Certifications (Appendix A to this program section, below), you will certify that, if selected for funding, you will provide matching funds which, combined with HUD funds, will enable you to carry out revitalization activities, including community and supportive services programs. If selected for funding, you will be required to show evidence of matching resources through your quarterly reports as your project proceeds. Evidence of match is not required up front in your application.

Leverage, on the other hand, consists of firm and projected commitments of funds that you can demonstrate now, at the application stage. While you are not required to provide any evidence that you have leveraged funds, you will not receive points for the leveraging rating factor unless you provide evidence of currently-available or projected funds to be leveraged.

HUD will rate your application based on the amount of funds and other resources that will be leveraged by the HOPE VI Grant, as measured by the ratio of HOPE VI dollars requested to the value of the financial, in-kind, and/or other assistance for proposed activities which can be added to HUD funds to achieve program purposes, in specific amounts that are committed or projected from your partners and other entities if HOPE VI funds are awarded.

Endorsements or general letters of support from organizations or vendors alone will not count as leverage.

In your application, you must provide evidence of each proposed resource by including a letter of commitment, memorandum of understanding, and/or agreement to participate, including any conditions to which the leverage may be subject. HUD recognizes that in some cases, firm commitments cannot be made at the application stage. In such a case, the entity must describe why the firm commitment cannot be made at the current time and must affirm that your PHA and your HOPE VI project meet eligibility criteria for receiving the resource. This is particularly important with regard to Low Income Housing Tax Credits (LIHTC), where forward commitments are typically not possible. All letters of commitment must include the donor organization's name, the specific resource proposed, the dollar amount of the financial or in-kind resource, and the purpose of that resource. The commitment must be signed by an official of the organization legally authorized to make commitments on behalf of the organization. HUD will evaluate the strength of commitment that the letters

articulate and calculate the ratio of HUD funds to leveraged funds that HUD deems acceptably documented.

(1) **Physical Development Resources:**

6 Points. HUD seeks to fund mixed-finance developments that use HOPE VI funds to leverage the maximum amount of other physical development funds, particularly from private sources, that will result in revitalized public housing, other types of assisted and market rate housing, and retail and economic development.

(a) **Types of funds.** *Physical development funds may include, but are not limited to:* (i) Equity (including syndication proceeds);

(ii) Mortgage secured loans and other debt;

(iii) Insured loans;

(iv) Donations and contributions;

(v) Housing trust funds;

(vi) Homeowner loans;

(vii) Funds committed to build private sector housing in connection with the HOPE VI revitalization program;

(viii) Low Income Housing Tax Credits (LIHTC). If you proposed to use tax credits as a part of your financing, you must include in your application a letter from your State or local Housing Finance Agency that provides information from the allocation plan regarding the total amount and type (4 percent vs. 9 percent) of tax credits available, any set-asides available for PHAs, per project funding limits, the schedule of funding rounds, verification that your project meets eligibility criteria, phasing, and other pertinent information that will enhance your project's likelihood to receive the desired tax credits. If your application includes a letter from a Housing Finance Agency which addresses these issues, the tax credits will be considered documented and you may count it in your development resources leverage ratio. If your application does not include such a letter, the amount of tax credit dollars you propose will not be counted as leverage.

(b) **Sources of funds.** You must actively enlist other stakeholders who are vested in and can provide significant financial assistance to your revitalization effort. Sources of development resources may include:

(i) Public, private, and non-profit entities;

(ii) State and local Housing Finance Agencies;

(iii) Local governments, which may provide commitments of funds for the physical development costs of schools, libraries, economic development and/or commercial facilities;

(iv) The city's housing and/or redevelopment agency or other functioning agency. HUD will consider this to be a separate entity with which you are partnering if your PHA is also a redevelopment agency or otherwise has citywide responsibilities;

(A) You are strongly urged to seek a pledge of Community Development Block Grant (CDBG) funds from your city or county for improvements to public infrastructure work such as streets, water mains, etc. related to the revitalization effort. Information on CDBG can be found on the HUD Home Page (www.hud.gov/cpd/cpd/cpdprog.html);

(B) The city or county may provide HOME funds to be used in conjunction with HOPE VI funds, but HOME funds may not be used in conjunction with Public Housing Capital Program funds. Information about the HOME Program can be found on the HOME website (www.hud.gov/cpd/home/homeweb.html);

(v) Foundations;

(vi) Financial institutions, banks or insurers.

(c) *Other HUD Public Housing Funds.* Although you may commit other Federal public housing funds such as Capital Fund grants, Comprehensive Grant Program, MROP, etc. to meet your match requirement if you are selected for funding, your commitment of these types of funds will not count towards your leverage ratio for the purposes of rating your application.

(d) *Rating.* You will receive 6 points if the ratio of requested HOPE VI funds to documented, committed leveraged development funds is at least 1:4.

You will receive 5 points if the ratio is 1:3.

You will receive 4 points if the ratio is 1:2.5.

You will receive 3 points if the ratio is 1:2.

You will receive 2 points if the ratio is 1:1.5.

You will receive 1 point if the ratio is 1:1.

You will receive 0 points if the ratio is less than 1:1 or if there is inadequate information in the application to rate this factor.

(2) *Community and Supportive Services Resources: 4 Points.* In order to achieve quantifiable self-sufficiency results, you must form partnerships with organizations that are skilled in the delivery of services to residents of public housing and that can provide commitments of resources to support those services. Leveraging scarce HOPE VI CSS funds with other funds and

services is critical to the sustainability of CSS programs so that they will continue after the HOPE VI funds have been expended.

(a) *Types of resources.* Resources may include financial resources such as Federal, State, or local government grants or private contributions. Resources may also include in-kind contributions such as the value of any donated material or building; the value of any lease on a building; the value of the time and services contributed by volunteers, and the value of any other in-kind services or administrative costs, such as staff salaries and benefits, supplies, and municipal or county government services or infrastructure which are critical to the successful transformation of the project and of the lives of its residents.

(b) *Sources of resources.* (i) See Section IV(C)(2)(e) of this HOPE VI section of the SuperNOFA for a list of the kinds of organizations, agencies, and other possible resource providers that you may form partnerships or other relationships with to obtain resources for your CSS programs.

(ii) In accordance with Section IV(C)(2)(b) of this HOPE VI section of the SuperNOFA, above, you may enter into subgrantee agreements with organizations, provided that the costs, if any, are verified by an outside entity and the subgrantee is also bringing significant resources to the project.

(c) *Rating.* The number of points you receive will depend on the amount of funds and other resources to be leveraged by the grant, as measured by the leverage ratio of HOPE VI dollars requested for CSS programs to the dollar value of the resources committed from other sources for CSS programs. A letter of general commitment without a dollar figure of committed resources included will not be counted as a resource for this rating factor.

You will receive 4 points if the ratio of HOPE VI funds requested for CSS programs to documented, committed CSS funds leveraged from other sources is 1:2 or higher.

You will receive 3 points if the ratio is between 1:1.5 and 1:1.9.

You will receive 2 points if the ratio is between 1:1 and 1:1.49.

You will receive 0 points if the ratio is less than 1:1 or if there is inadequate information in your application to rate this factor.

Rating Factor 5: Coordination and Community Planning (10 Points)

This factor evaluates your efforts to address the need for revitalized public housing in a holistic and comprehensive manner by coordinating the

revitalization of public housing with the overall plans for revitalization and related activities in the broader community, and participating in or committing to participate in the community's Consolidated Planning process.

(1) *Coordination of Revitalization Activities: 5 Points.* (a) This factor evaluates your efforts to coordinate with other agencies, not to provide services, but to ensure that your activities are consistent with other revitalization, development, economic development, transportation, and other similar activities in the neighborhood, surrounding community, and the city or county at large. Public housing revitalization must not happen in a vacuum, and it is critical that all parties work together to share information and coordinate activities in order to develop plans that complement and reinforce other activities, both ongoing and planned for the future.

(b) HUD will evaluate your efforts to take specific steps to:

(i) Coordinate your proposed activities with related activities of other agencies, groups, or organizations outside the scope of those covered by the Consolidated Plan.

(ii) Develop comprehensive solutions that best complement, support and coordinate other revitalization and related activities, such as plans for changes in transportation, infrastructure, land use, and other issues that may affect the planned public housing revitalization plans.

(iii) Participate in planning efforts to share information about solutions and outcomes with relevant agencies through meetings, information networks, planning processes or other mechanisms.

(c) *Rating.* (i) You will receive 3 to 5 points if you provide letters, memoranda of agreement, or other documentation from organizations and agencies that describe your relationships and coordination efforts and indicate that you have made extensive efforts to coordinate with a variety of related groups.

(ii) You will receive 2 points if you document that you have made some efforts to coordinate your proposed activities with related groups, but your overall effort does not include a variety of different kinds of groups and/or you do not show strong evidence of active coordination.

(iii) You will receive 1 point if your efforts to coordinate with related groups are not comprehensive and/or your relationships are not well documented or committed.

(iv) You will receive 0 points if you have not provided evidence that you have coordinated with related groups, or there is insufficient information in the application to rate this factor.

(2) Participation in Consolidated Plan AI Process: 5 Points.

This factor evaluates your efforts to participate in your community's Consolidated Planning process (including the Analysis of Impediments to Fair Housing Choice) and to include the revitalization of severely distressed public housing as a need identified in the Consolidated Plan. (A certification of consistency with the Consolidated Plan is a required element of each HOPE VI Revitalization application.)

(a) You will receive 4 to 5 points if you demonstrate that:

(i) You have actively participated in the Consolidated Planning process, as evidenced by citing the inclusion of the need for revitalized public housing from the Consolidated Plan in your application.

(ii) Your participation in the Consolidated Planning process has ensured that your HOPE VI revitalization plans are tied to other revitalization planned in the broader community and the jurisdiction as a whole, and that they are consistent with plans or organizing efforts in the immediate, surrounding neighborhood. If not, you have provided an adequate description of why they are not.

(iii) If the Consolidated Plan is not applicable to your community, you have demonstrated that you have participated in other community-wide planning efforts.

(b) You will receive 1 to 3 points if you have demonstrated that you have participated in the Consolidated Planning process, but the Plan does not address the revitalization of severely distressed public housing.

(c) You will receive 0 points if you have demonstrated some understanding of the Consolidated Planning process, but have made only marginal or no effort to participate. If the Consolidated Plan is not applicable to your community, you have demonstrated only marginal or no effort to participate in other community-wide planning efforts. You also will receive 0 points if there is inadequate information in the application to rate this factor.

Empowerment Zone/Enterprise Community Bonus (2 Points)

You will receive up to 2 bonus points if you propose to revitalize severely distressed public housing that is located in a Federally-designated Empowerment Zone (EZ), Enterprise Community (EC), or Urban Enhanced Enterprise

Community (also referred to as EC). To be eligible for the bonus points, activities must serve EZ/EC residents and the application must include a certification that activities are consistent with the strategic plan for the EZ or EC. A listing of eligible EZs and ECs is appended to the **General Section** of the SuperNOFA, and also can be found on the HUD Home Page (www.hud.gov). Note that if the public housing project is located in a similar economic development area designated by your state or city, but is not located in a Federally-designated EZ or EC, your application will not be eligible for these bonus points.

VII. HOPE VI Demolition Grant Application Selection Process

(A) *HOPE VI Demolition Grant Funding Categories.* HUD will select HOPE VI Demolition grant applications on a first-come, first-served basis, by an application's Priority Group and Ordinal. HOPE VI Demolition grant applications are not rated.

(1) *Priority Groups.* You must identify each HOPE VI Demolition grant application by its appropriate Priority Group, as described below. Each application must target units of a single Priority Group, e.g., do not include Priority Group 1 units in the same application as Priority Group 2 units.

(a) *Priority Group 1:* A HOPE VI Demolition grant application that targets units included in an approved Conversion Plan (i.e., plan for removal of units from the public housing inventory in accordance with the requirements at 24 CFR 971.7(d)). Please note that the term "Conversion Plan" used in this HOPE VI section of the SuperNOFA is the plan required by 24 CFR part 971. The Conversion Plan must be approved by HUD on or before the HOPE VI Demolition grant application deadline date under this HOPE VI section of the SuperNOFA.

(b) *Priority Group 2:* A HOPE VI Demolition grant application that targets units included in a Conversion Plan that you have submitted to HUD on or before the HOPE VI Demolition grant application deadline date, or targets units that, at HUD's sole determination under section 537(b) of the Public Housing Reform Act of 1998, are subject to the removal requirements of 24 CFR part 971 and can be expected to be demolished in accordance with the time schedule required by Section IV(F)(1) of this HOPE VI section of the SuperNOFA, above.

(i) If you submit a HOPE VI Demolition grant application for units that are targeted in a Conversion Plan that was submitted under 24 CFR part

971 but not yet approved (Priority Group 2), and HUD subsequently approves the Conversion Plan before the HOPE VI Demolition grant application deadline date, you may submit a revised application and it will be reclassified as Priority Group 1. HUD will change the Ordinal to the Ordinal corresponding to the date that the revised application was received.

(ii) If you submit a Conversion Plan but HUD determines that the targeted project does not qualify for conversion under 24 CFR part 971, your HOPE VI Demolition grant application will not be eligible for funding. Please check with your local HUD Office to confirm that your targeted project is eligible for conversion under part 971 before submitting a HOPE VI Demolition grant application based on submission of a Conversion Plan.

(c) *Priority Group 3:* A HOPE VI Demolition grant application that targets units included in a HUD-approved application for demolition that was developed in accordance with section 18 of the 1937 Act, as amended.

(i) Your Section 18 demolition application must be approved by HUD by the HOPE VI Demolition Application deadline. You are advised that in order to allow for sufficient time for a Section 18 demolition application to be processed, you should submit your Section 18 demolition application to HUD's Special Application Center (SAC) no later than March 14, 2000. If your Section 18 demolition application does not meet the statutory requirements of Section 18, including the requirement for HUD Field Office approval of the Interim or PHA Plan as required by 24 CFR part 903, HUD will not approve the Section 18 demolition application and your HOPE VI Demolition grant application will not be eligible for funding.

(ii) If you have submitted a Section 18 demolition application to the SAC but it has not yet been approved by HUD when you submit your HOPE VI Demolition grant application, your HOPE VI application will not be considered complete and you will not receive an Ordinal until your Section 18 demolition application is approved.

(iii) If HUD has previously approved your Section 18 demolition application but HUD later rescinded the approval, your Section 18 demolition application will not be considered approved by HUD and your HOPE VI Demolition grant application will not be eligible for funding.

(d) *Priority Group 4.* (i) A HOPE VI Demolition grant application that requests funds for the demolition of units that were targeted for demolition

in a previously-approved HOPE VI Revitalization application but for which supplemental funds are needed qualifies as a Priority Group 4 application.

(ii) A HOPE VI Demolition grant application that requests funds for the demolition of units that were not originally targeted for demolition in a previously-approved HOPE VI Revitalization application but that are located in the same project and at the same site that will be revitalized using an existing Revitalization grant qualifies as a Priority Group 4 application.

(iii) The requested HOPE VI Demolition grant funds, in combination with the existing HOPE VI Revitalization grant funds, may not exceed the TDC limit as provided in Section II(A)(3)(a) of this HOPE VI section of the SuperNOFA, above.

(iv) If a Priority Group 4 HOPE VI Demolition application is selected for funding, HUD will approve the planned demolition in its approval of your Revitalization Plan (RP) for the Revitalization grant. If the RP has already been approved, HUD will amend the existing RP approval to include approval of the proposed demolition.

(v) A Section 18 demolition application is not required for a Priority Group 4 HOPE VI Demolition application.

(e) *Priority Group 5.* (i) A HOPE VI Demolition grant application that requests supplemental funds in conjunction with an FY 2000 Revitalization application for a site that has not previously been covered by a HOPE VI Revitalization Plan qualifies as a Priority 5 application. The units identified for demolition in the HOPE VI Demolition application may be the same or different units from those budgeted in the FY 2000 HOPE VI Revitalization application.

(ii) The requested HOPE VI Demolition grant funds, in combination with the requested HOPE VI Revitalization grant funds, may not exceed the TDC limit as provided in Section II(A)(3)(a) of this HOPE VI section of the SuperNOFA, above.

(iii) If your HOPE VI Revitalization application is not approved, the corresponding HOPE VI Priority Group 5 Demolition application will be ineligible for funding.

(iv) If your HOPE VI Demolition application is not approved but your HOPE VI Revitalization application is selected for funding, you must be able to show that the Revitalization activities are feasible without the requested HOPE VI demolition funds.

(v) A Section 18 demolition application is not required for a Priority

Group 5 HOPE VI Demolition grant application.

(vi) If you choose, you may also submit a separate HOPE VI Demolition application for the same units identified in your Priority Group 5 Demolition grant application, accompanied by an approval of a Section 18 demolition application. This separate HOPE VI Demolition application would be assigned Priority Group 3. You are cautioned, however, that if your HOPE VI Revitalization application is not selected for funding but your Priority 3 HOPE VI Demolition application is selected for funding, your Section 18 demolition application will be processed and you will be expected to carry out the demolition despite the lack of revitalization funds, since you have identified them as severely distressed.

(2) *Ordinals.* Upon receipt, HUD will assign each HOPE VI Demolition grant application an Ordinal (*i.e.*, ranking number) that reflects the date HUD Headquarters received the application. Ordinals correspond to business days, starting with the date HUD receives the first Demolition grant application and ending on the application deadline date, as specified in Section I of this HOPE VI section of the SuperNOFA, above. HUD will consider all applications received on the same date as received at the same time on that date, and those applications will all be assigned the same Ordinal.

(B) *Demolition Screening.* (1) Within a day after HUD receives your HOPE VI Demolition grant application, HUD will screen the application to ensure that it:

(a) Meets each HOPE VI threshold criterion listed in Section V(A) of this HOPE VI section of the SuperNOFA, above; and

(b) Includes each application submission requirement listed in Section IX(B) of this HOPE VI section of the SuperNOFA, below.

(2) If HUD determines that an application is not eligible for funding (*e.g.*, the applicant is not a PHA), HUD will not consider the application further and will immediately notify the applicant that the application has been rejected.

(3) If HUD determines that an application is eligible but incomplete, within one day of receipt of the application, HUD will contact you in writing by fax (followed up with a hard copy by mail) to request the missing information. If HUD finds your application and other applications received on the same day to be incomplete, HUD will notify all such applicants of their missing items on the same day. Since HOPE VI Demolition grant applications are not rated, you

may submit information to complete your application at any time before the HOPE VI Demolition grant application deadline date. However, if your application is received on the deadline date and it is missing a required submission, you will have no opportunity to submit any missing item after the deadline date and your HOPE VI Demolition grant application will be ineligible for funding.

PLEASE NOTE: This provision means that the nearer to the deadline date you submit your application, the less time you will have to correct any deficiencies, and if HUD receives your application ON the deadline date and there is a deficiency, that application will NOT be eligible for funding. You are advised to submit your application as soon as possible, in the event that HUD identifies a deficiency that you need to correct.

(4) If HUD determines that the information you submit in response to a notification of deficiency is correct and completes the application, HUD will change the application's Ordinal to the Ordinal corresponding to the date that HUD received the information.

(5) If HUD determines that the information submitted does not make the application complete, HUD will notify you of the remaining deficiency. You will have the opportunity to submit information in response to notifications of deficiency up until the HOPE VI Demolition application deadline date.

(6) If you do not submit the requested information by the HOPE VI Demolition grant deadline date, your application will be ineligible for funding.

(C) *Funding.* HUD will award HOPE VI Demolition grants in the following order, based on fund availability.

(1) HUD will fund Priority Group 1 applications by Ordinal.

(2) If funds remain after HUD has funded all eligible Priority Group 1 applications, HUD will fund Priority Group 2 applications by Ordinal.

(3) If funds remain after HUD has funded all eligible Priority Group 2 applications, HUD will fund Priority Group 3 applications by Ordinal.

(4) If funds remain after HUD has funded all eligible Priority Group 3 applications, HUD will fund Priority Group 4 applications by Ordinal.

(5) If funds remain after HUD has funded all eligible Priority Group 4 applications, HUD will fund Priority Group 5 applications by Ordinal.

(6) At any stage, if there are insufficient funds to fund all applications with the next Ordinal, HUD will conduct a lottery among the applications sharing the Ordinal to determine funding. HUD reserves the

right to partially fund the last lottery winner chosen if insufficient funds remain to fund the entire amount requested, but HUD determines that, based on the application, partial funding will be a viable alternative to full funding.

(7) If funds remain after all eligible HOPE VI Demolition grant applications have been funded, the remaining funds will be reallocated for HOPE VI Revitalization grants in accordance with Section II(B)(1)(b) of this HOPE VI section of the SuperNOFA, above.

VIII. Grant Award Procedures

(A) *Revitalization Grants.* (1) *Notification of Funding Decisions.* The HUD Reform Act prohibits HUD from notifying you as to whether or not you have been selected to receive a Revitalization grant until it has announced all HOPE VI Revitalization grant recipients. If your Revitalization application has been found to be ineligible or if it did not receive enough points to be funded, you will not be notified until the successful applicants have been notified. HUD will provide written notification to all HOPE VI applicants, whether or not they have been selected for funding.

(2) *Preliminary Approval.* HUD notification that you have been selected to receive a HOPE VI grant constitutes only preliminary approval. Grant funds may not be released until the following activities have been completed:

(a) You and HUD must execute a HOPE VI Revitalization Grant Agreement in accordance with paragraph (3) below;

(b) The responsible entity must complete an environmental review and you must submit and obtain HUD approval of a request for release of funds and the responsible entity's environmental certification in accordance with 24 CFR part 58 and Section IV(B)(7) of this HOPE VI section of the SuperNOFA, above (or HUD has completed an environmental review under 24 CFR part 50 where HUD has determined to do the environmental review).

(3) *Revitalization Grant Agreement.* When you are selected to receive a Revitalization grant, HUD will send you a HOPE VI Revitalization Grant Agreement, which constitutes the contract between you and HUD to carry out and fund public housing revitalization activities. Both you and HUD will sign the cover sheet of the Grant Agreement, and it is effective on the date of HUD's signature. The Grant Agreement sets forth:

- (a) The amount of the grant;
- (b) Required submissions;

(c) Procedures for amendments and approvals;

(d) Program Requirements;

(e) Required schedules for the completion of activities;

(f) Environmental assessment requirements;

(g) Covenants and conditions;

(h) Drawdown procedures;

(i) Reporting requirements;

(j) Recordkeeping requirements;

(k) Grant closeout procedures;

(l) Conflict of interest provisions;

(m) Other Federal requirements; and

(n) Default provisions.

(4) *Revitalization Plan.* Each new Revitalization Grantee will be required to submit supplemental information, including a budget, Community and Supportive Services Plan, program schedule, and other information as requested by HUD. When approved by HUD, this information, along with the original grant application, constitutes the HOPE VI Revitalization Plan for the severely distressed project.

(5) *Mixed Finance Proposal.* A Grantee proposing mixed-finance development must submit to HUD a Mixed Finance Proposal in accordance with 24 CFR 941.606 or successor part (subpart F). (B) *Demolition Grants.* (1) *Notification of Funding Decisions.* Because the HOPE VI Demolition grants are awarded on a first-come, first-served basis, HUD reserves the right to award funds to Priority 1 applications as soon as they are determined to be eligible for funding, or announce all awards after the application deadline date has passed. HUD will notify ineligible applicants of their ineligibility immediately after that determination has been made. HUD will provide written notification to all HOPE VI applicants, whether or not they have been selected for funding.

(2) *Preliminary Approval.* HUD notification that you have been selected to receive a HOPE VI demolition grant constitutes only preliminary approval. Grant funds may not be released until the following activities have been completed:

(a) You and HUD must execute a HOPE VI Demolition Grant Agreement in accordance with paragraph (3) below;

(b) The responsible entity must complete an environmental review and you must submit and obtain HUD approval of a request for release of funds and the responsible entity's environmental certification in accordance with 24 CFR part 58 and Section IV(B)(7) of this HOPE VI section of the SuperNOFA, above.

(3) *Demolition Grant Agreement.* If you are selected to receive a Demolition grant, HUD will send you a HOPE VI

Demolition Grant Agreement. Both you and HUD will sign the Cover Sheet of the Grant Agreement, and it is effective on the date of HUD's signature. The Grant Agreement sets forth:

(a) The amount of the grant;

(b) Procedures for amendments and approvals;

(c) Required schedules for the completion of activities;

(d) Program requirements;

(e) Environmental assessment requirements;

(f) Covenants and conditions;

(g) Drawdown procedures;

(h) Reporting requirements;

(i) Recordkeeping requirements;

(j) Grant Closeout procedures;

(k) Conflict of interest provisions;

(l) Other Federal requirements; and

(m) Default provisions.

IX. Application Submission Requirements

(A) *Revitalization Application Requirements.* (1) *Application Kit.* The HOPE VI Application Kit provides explicit, specific instructions as to the format of a HOPE VI Revitalization application. Your application must conform to the requirements of this HOPE VI section of the SuperNOFA and follow the format described in the Kit. If you fail to adhere to the requirements of this NOFA, as detailed in the Kit, and omit critical requirements, your application may lose points. In addition to the narrative exhibits that respond to the rating criteria in this HOPE VI section of this SuperNOFA, your application will also include attachments that provide HUD with detailed information about your proposed revitalization, including forms and other documentation.

(2) *Application Page Limits.* Each Revitalization application must contain no more than 75 pages of narrative exhibits and 100 pages of attachments. Any pages after the first 75 pages of narrative exhibits and first 100 pages of attachments will not be reviewed. Although submitting pages in excess of the page limitations will not disqualify an application, *HUD will not consider the information on any excess pages, which may result in a lower score or failure of a threshold.*

(3) *Narrative Exhibits.* The following is a summary of the narratives required in a HOPE VI Revitalization application:

(a) An Executive Summary.

(b) A list of revitalization team members and a description of team experience in development, delivery of community and supportive service programs, and property management.

(c) Your need for the HOPE VI grant, including a description of existing site